Suez Crisis and Canadian Oil: pp. 45-80

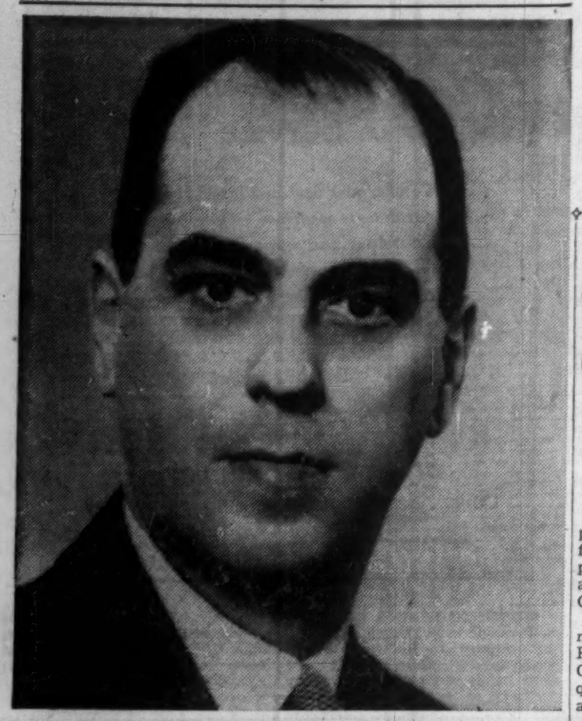
The Financial Post

20 cents

Canada's National Weekly of Business, Investment and Public Affairs.

Vol. L Member of Audit Bureau of Circulations ★ Publication Office: Toronto, December 1, 1956 ★ Twenty Cents an issue, Six Dollars a Year No. 48

Top Transport Judge



Clarence Day Shepard, 42, Winnipeg lawyer specializing in transportation matters, will succeed Mr. Justice J. D. Kearney as chief commissioner of the Board of Transport Commissioners. He will take leadership of a federal board with key jurisdiction in the economy. It has played an important role in adjudicating rail freight rate cases, in revising rail rate structure, in sitting on pipeline cases.

NATION'S BUSINESS

U.S. Tax Rate Peril For Many Here

The plot of a U. S. tax court to hijack into its jurisdiction a Canadian taxpayer is running into opposition as articles elsewhere in this issue attest.

Now, Canadian diplomatic channels are being employed to bring this serious matter to the attention of top U. S. officials.

The case involves Consolidated Premium Iron Ores Ltd. This was set up about 1942 as a Canadian company and its tax position clearly established with the Canadian government.

Various intriguing stories are current as to why about six years ago some U. S. tax sleuths moved in on Premium Iron Ores. Their probings took seven months.

Now the U. S. tax court (which is an arm of the U. S. internal revenue department rather than an independent court in the usual sense of the word) is considering whether or not Premium should have been paying American taxes throughout its corporate life. U. S. tax sleuths say it should and they propose a back tax levy plus penalties totaling some $4 million.

Obviously the case is serious for Premium.

But it is serious for Canada, too. Inevitably, and to the advantage of both Canada and the U. S., we have many Canadian companies with trans-border operations and with mixed Canadian and American ownership. If the U. S. raid on Premium comes off, a major new hazard for business enterprise is introduced.

And Canada may find the U. S. tax people walking off with more of our taxpayers. The basic issue in this matter is whether or not a company can determine at its founding a reasonable degree of certainty as to its tax position.

If tax raiders can come along years later and upset that basis — and impose enormous penalties — then the laws become outrageous and the bureaucracy merely tyrannical.

* * *

Welcome to the Hungarians

Canadians heartily approve of measures taken to admit and to welcome Hungarian refugees who seek the sanctuary of our shores and the opportunities our country presents to energetic, kindly people such as these.

Hungary is still suffering a terrible ordeal at the hands of the brutal Russian assassins of liberty. Common humanity demands that Canada, a country with plenty of room to spare, should receive and help Hungarians whose courage and resourcefulness bring them so far from home.

Canada gains by their coming. Since the end of the war about 1,350,000 immigrants have entered this country. They are in debt to Canada for the new chances they find here. But Canada is in debt to them for their great enrichment of our economic and cultural life.

Recently it has been hard to find as many suitable immigrants as this country needs. Hungary's plight offers an opportunity not only to be kind but to practise enlightened selfishness by acquiring new citizens of value.

* * *

This Partnership Must Work

Britain has misread American policy, and the United States has misread British policy. This is the judgment of a shrewd British editor, Henry V. Hodson of the Sunday Times of London who has recently been traveling in the U. S.

Traveling at the height of the Suez crisis, when Britain was being condemned by President Eisenhower for warlike action, Mr. Hodson found ordinary Americans remarkably friendly to an English visitor. "You seem to be in trouble," was a typical remark.

Canadians, who are expert in this matter, would agree with him that the bedrock of Anglo-American good feeling remains solid. The two nations still think alike.

But in some way and for some reason not wholly clear their policies have diverged. Mr. Hodson offers an analysis. The Americans, he says rightly, underrated British determination that the Suez Canal should not remain "at the mercy of one man,"—an untrustworthy dictator backed by Soviet arms. Sir Anthony Eden's repeated assertions that this state of affairs was "intolerable" to Britain, meaning that it wouldn't be tolerated, were not taken seriously in the U. S.

Why the Americans wrote off British protests in this way Mr. Hodson doesn't try to fathom; but he does note a switch in U. S. foreign policy from an activist to a passive line.

In outward appearance Britain and the U. S. still agree that their true frontiers are the periphery of the Soviet bloc. The British have to be active in securing these frontiers, Mr. Hodson argues, if they are to retain any independent power to influence events.

But the U. S., by contrast, has become inactive and Mr. Hodson wonders if Americans "realize how far their national policy has changed since the days of the Berlin airlift, the defense of Greece or the Korean war."

When Mr. Dulles intervened in the Suez dispute with his plan for a Users' Association, the British Government thought he was trying to precipitate a solution which would guarantee international management. London was shocked and disillusioned to discover that he was only temporizing by conciliation.

Mr. Hodson himself was disturbed to find, on this latest American trip, how far the American people have moved back to "the old tradition of non-involvement." He puts this down to fear of an H-bomb war, Mr. Eisenhower's personal policy and the natural inclination of a rich continental country to mind its own business.

What is needed, then, is not a restatement of aims (these are agreed) but a restoration of the Anglo-American working partnership with stress on the word "working." It can be done. It must be done if peace is to be more than a hope.

Ontario Income Tax? Ottawa, Quebec Wait

B. C. Won't Institute Provincial Income Tax Now, But Big Question Mark Is Ontario — Premier Frost's Answer Expected Soon

OTTAWA (Staff) — The only provinces where you now have to fear double taxation, when the present federal-provincial tax agreements end next year, are Ontario and Quebec.

Although British Columbia has not yet sent formal approval, Premier Bennett stated openly in Ottawa last week that he was quite happy with the new formula as applied to his province.

Federal authorities are hoping that Premier Frost of Ontario will notify them within a month what he intends to do. After Jan. 1 the tax collectors need to know what scale of deductions to apply to personal income taxes. In any province which doesn't rent its personal income tax, the federal deductions at source will be 10% less. That is the abatement allowed in respect of provincial taxes, whether the non-agreeing province chooses to collect at that rate or at some other rate.

It is considered almost certain that, in fact, deductions will continue at their present rate everywhere except in Quebec. No other province, not even Ontario, wants to collect its own personal income tax.

But no federal authority will bet better than even on Ontario's corporation tax. If Mr. Frost decides to levy his own tax on corporations, he can take nine percentage points on taxable corporation income without costing Ontario corporations any more than at present — provided he follows the federal tax law and adopts the same procedure for allocating profits between provinces.

The Federal Government will reduce its corporation tax by nine percentage points on all income allocable, by its formula, to business done in Ontario by Ontario corporations. It will do the same thing in Quebec — raising the present abatement from seven points to nine.

Mr. Duplessis, it is surmised here, is as anxious as Ottawa is to know what Mr. Frost means to do. If he should decide, in spite of many previous indications, to rent his corporation tax after all, Mr. Duplessis is expected to content himself with the nine percentage points which he can get without double taxation.

If Mr. Frost levies his own tax on corporations, then the question is whether he will content himself with nine percentage points or will want to go higher — even in 1957. Mr. Duplessis may stick at nine, if Mr. Frost does; thus

(Continued on page 3, col. 3)

Worried Business Pushed Ottawa Tax Note to U. S.

By DALTON ROBERTSON

Informal protests of many leading Canadian businessmen are believed to have played a part in Ottawa's decision to raise the **Consolidated Premium Iron Ores** case with Washington.

(For details of Ottawa's note to the U. S., p. 10.)

In this U. S. attempt to tax a Canadian-domiciled company, one of Canada's top bankers, for instance, sees the possibility of a dangerous precedent being set, should the U. S. Government win its case now before a U. S. Tax Court.

"This is the type of situation," he told the FP, "that calls for very serious consideration by the Canadian Government. To let it go unchallenged would be a gross mistake on the part of the Canadian Government.

"When first efforts of this sort are being made in another country, Ottawa should be 'on alarm' to make sure every point is thoroughly discussed."

It is understood that one or two bankers and a sizeable number of individual industrialists and business leaders have directly or indirectly made their views known in Ottawa, some quite forcibly.

Those active in organizations specializing in tax studies have been particularly worried by the Government's do-nothing attitude over recent weeks. At least one organization, the Canadian Metal Mining Association, lodged a formal protest some months ago.

"Major Setback"

"It would be a setback of major proportions if through the action of revenue authorities of another government any doubt should be created concerning the value, let alone legality, of risk-taking in the early stages of mine financing according to established Canadian practice," V. C. Wansbrough, president of the association told Hon. J. J. McCann, Minister of National Revenue.

The association also urged that National Revenue investigate the case thoroughly, and if a decision goes against the company, consider making a diplomatic issue of it. (FP, Nov. 17).

Now the Government has issued a note which — while reportedly not protesting the action of the U. S. tax authorities or commenting on the arguments before the court — at least clears the way for further protests should the case go against Premium Iron Ores.

It has been a long time, states one businessman, since so many members of the financial community and so many industrialists have been as worked up about a possible precedent.

One fear, of course, is that an adverse decision could conceivably mean scores of companies, industrial as well as mining, would face the possibility of having tax cases reopened and having to pay back taxes to the U. S.

It will also raise doubts about

(Continued on page 3, col. 3)

Taxation Status Of U. S. Funds Here Unchanged

WASHINGTON — A Congressional committee, seeking to plug U. S. tax loopholes, has looked at "an unintended tax advantage" which encourages Americans to invest in Canada, and apparently decided to forget about it at least for the time being.

The loophole is one where Americans get a tax advantage by investing in U. S.-owned investment companies operating in Canada (FP, Nov. 24).

Something like $300 million has been put into these companies by U. S. residents.

The investment companies are

(Continued on page 3, col. 3)

Steel Makers 'Surprised' At Orders Dip

By W. L. DACK

For the first time since the end of 1954, major Canadian steel makers are going into a new quarter with unfilled capacity.

A little surprised at the slow-up in incoming orders during the last couple of weeks, particularly in the heavy-volume cold rolled sheets field, steel officials attribute it to an inventory paring program across a broad section of consuming industry.

Usually there are some inventory clean-up programs at year-end, but this is a good deal broader than that.

There's no doubt that credit restrictions and other uncertain-

(Continued on page 3, col. 1)

Inside

INTERNATIONAL HARVESTER is ringing up Canada's biggest motor industry production increase ..... p. 32

OFFSHOOT OF ALCAN this shipping firm is building a maritime empire, promoting Caribbean-Canada trade p. 25

CANADIAN TRADE with Portugal will expand. Here's why ..... p. 9

WHAT COMBINATION of powers could destroy Britain, France and Germany together? asks Adelphi .. p. 24

CHRISTMAS TREE industry heads for record $12 million business ..... p. 30

JET AGE leaves us behind, airport facilities barely adequate ..... p. 26

Oilmen Ask Bigger Output To Set New Monthly Record

For full report on Canada's oil and natural gas industry, and discussion of the world problems created by the Middle East crisis and possible impact on the Canadian oil industry, see pp. 45-80.

First official sign of increased output for Canadian oil producers resulting from the Middle East crisis came this week when three companies requested a total of 36,000 bbl. a day for offshore shipments from Vancouver to California.

It will help boost December output to a record 525,000 b/d, and will raise westward movement of oil through the **Trans Mountain** pipeline to a new peak of around 178,000 b/d, against the recent 134,000 b/d.

The Canadian oil will release additional tight tanker space and more Venezuelan oil for the U. K. and Western Europe.

The three companies requesting December tanker shipments out of Vancouver are:

B.A. Oil Co.	8,000 b/d
California Standard Co.	12,000 b/d
Imperial Oil Co.	16,000 b/d
	36,000 b/d

Top oil marketing officials see this stepped-up flow of oil to California likely to continue as long as the oil squeeze continues on Western Europe. The size of shipments will likely be limited only by Trans Mountain's capacity to move the oil westward. Right now pipeline capacity is around 185,000 b/d; will go up to 200,000 b/d by late June of next year.

The increased California market has been a big factor in boosting December oil production for Alberta to a new peak of around 448,000 b/d (412,000 b/d in November). Along with an expected 65,000 b/d rate in Saskatchewan and some 15,000 b/d in Manitoba, this will raise total Canadian oil output to a new peak

(Continued on p ge 3, col. 2)

Where Invest $50 Million? Arts Council Answer Soon

OTTAWA (Staff) — Some of the most important questions about the status and powers of the Canada Council will be settled in the next few weeks, as the Government considers draft legislation to establish the new public patron of scholarship and the arts.

The 15-man Council's two main jobs will be:

- To distribute $50 million over the next ten years in capital grants to universities.
- To manage an endowment of $50 million, and out of the income to provide scholarships and grants in the humanities, arts and social sciences.

Here are some of the key questions about the Canada Council which have not yet been determined by ministers, and which are producing considerable discussion in government circles:

- Conditions governing investment of the $50 million capital (and of the balance of the universities' $50 million over 10 years).
- Personnel of the Council itself and of its senior staff.
- Relations with Parliament and methods of permitting some form of parliamentary discussion without bringing the Canada Council into the political arena.

1. Investment Policy: The income on the original $50 million of capital is all the money the Council will have to distribute, apart from private donations that may be made to it; until and unless Parliament decides some years hence to add to its capital. The way the capital is used is, therefore, very important to the Council's financial success.

The possibilities, which all have some supporters in government circles, are:

—(a) Put the $50 million in a special fund like the Government's Superannuation Account, and pay a steady annual interest like the Superannuation Account's regular 4%.

—(b) Keep the capital in government hands, and pay an annual interest based on some selected yardstick of bond yields. This would mean the Council's income could vary quite widely.

—(c) Give the Council a cheque for $50 million, and tell them to invest it.

Although no decision has been taken, it is now probable that the Government will adopt the third course, making the Council responsible for its own investments.

Little Support

This course had little support in influential quarters three weeks ago, when it was first urged in this FP correspondence

(Continued on page 3, col. 5)

Don't Bet on Early Easier Credit Line

First Signs Of Change Likely To Come In Early 1957 Budget, But Ottawa Still Has Open Mind On the Need for More Direct Control Measures

By MICHAEL BARKWAY

OTTAWA (Staff) — Are you being pinched by the shortage of money? If you are, you'd better reconcile yourself to it, because you'll be living with it for some months at least.

The Federal government is hearing plenty of protests about its monetary policy. Latest came from the Federation of Mayors and Municipalities. Small government has complained more loudly than small business. But if you think protests will soften the government's heart, you'll bet wrong.

- If anything is wrong with the monetary squeeze, it isn't that it is too tight. It is that it isn't effective enough in curbing some things and that it may bear too heavily on other desirable things.
- If the Government concludes that this criticism is just, then it won't relax the tight money policy: But it will fortify it with new and more direct measures aimed at anybody who hasn't been restrained by the difficulty of getting money — or by the reluctance to pay more for it.

To put it another way, we are back in the position of late August (FP, Aug. 25):

No new controls or taxes or tax gimmicks are yet being seriously considered. For the present, the Government will continue to leave the credit squeeze to operate on the straining economy. But it still has an open mind about whether more direct measures may be needed before spring.

The obvious occasion for any new measures is the 1957 budget. It will be earlier than usual this year, because Parliament will end early to prepare for the June election. Look for a budget in early March, or even near the end of February.

By that time the Government will know more about two uncertain quantities in the outlook for 1957:

(1) The dimensions of the Canadian capital investment program. So far, its only solid information comes from the big companies, whose plans are ade farther ahead and are generally less flexible than smaller companies. It will be important to know how the plans of small firms with local governments stack up. It will be a sign both of how far the credit squeeze is restraining them; and of how buoyant the outlook seems to the sensitive eye of a small operator.

(2) The economic outlook in the U. S. The first surveys of American capital intentions are eagerly awaited here, because they will be a valuable indicator of what we have to expect, as well as of the export outlook.

But without assuming any cocksure view about how long the present straining at Canadian capacity may last, there are concrete signs this week that the Government is still chiefly concerned:

—To restrain an over-buoyant atmosphere;

—To make business and consumers price-conscious;

—To get capital projects spread out;

—To curtail the peak and thus moderate the ensuing valley.

Here are some of the most significant portents:

—The refunding of $400 million out of the $550 million short-term issue maturing Dec. 15. The Government didn't need to reissue so much of it. It can't have been

(Continued on page 3, col. 1)

Locomotives Up for Sale

From Our Own Correspondent

ST. JOHN'S — Looking for an ornamental locomotive?

The **CNR** soon will have 40 operational steam engines to sell, all of them retiring from service in Newfoundland to make way for diesels.

But finding buyers is a bit tougher than usual.

These locomotives were built for Newfoundland's three ft., six in. narrow-gauge tracks. They won't fit North America's four ft., 8½ in. standard gauge.

The CNR is sounding out possible buyers in Japan, Africa, Australia and South America where narrow gauge is more common.

But the railway hasn't said no to a request from Newfoundlanders who want to convert one of the puffers into a display in Bowring Park, St. John's.

Nor has it rejected a similar request from a U. S. railway museum.

The steam engines — 30 Mikados and 10 Pacifics — will be replaced by a fleet of 44 diesel-electric locomotives.

Compromise Seen Possible In Quebec Grants Squabble

By LESLIE WILSON

There is speculation in university circles in both Ontario and Quebec that a compromise solution will shortly emerge on the knotty question of acceptance of federal grants by Quebec Universities.

A possible pattern:

- Quebec would provide, on a statutory basis, regular maintenance grants roughly equivalent to the federal per capita grants.
- The Federal Government would provide non-recurring capital grants for the Quebec universities to be allocated by a committee of representatives of the universities themselves, perhaps with the provincial government represented on the committee.

Quebec's six degree-granting universities are caught in the middle in the battle in which Ottawa-Quebec relations have retrogressed to where they were before the meeting of reconciliation two years ago between Prime Minister St. Laurent and Premier Duplessis.

"A compromise is probable which will save everybody's face and give the Quebec universities the money they need so badly," The Financial Post was told.

Two types of grants are involved:

One is a new type of capital grant announced by the Prime Minister last month at the National Conference of Canadian Universities in Ottawa — $50 million to be handed out over 10 years for university capital projects.

Maintenance Grant

The other is, in effect, a maintenance grant — $1 per head of population of a province concerned, split up among the universities of a province on the basis of enrollment.

The $50-million grant is to be handed out during the next 10 years by the Canada Council on the basis of 50% of the cost of specific building projects.

It's university thinking that a compromise will develop because of these factors:

—The capital grant is non-recurring as far as the Federal Government is concerned; if it's

(Continued on page 3, col. 5)

THE SIGNS AND PORTENTS

UNIVERSITY ALUMNI funds are having a banner year. There are 10 funds in Canada, all established since the war. Last year they collected $366,000; this year it may be $425,000. It used to be that only wealthy alumni made donations, big ones but sporadic. Now everybody gets dunned for a little.

* * *

ONE BASIS on which they're being sold is this: No university graduate has paid more than a fraction of the cost of his education. In medicine the proportion is smallest — at some universities it costs $4,000 per student per year and the fees run between $300 and $500.

* * *

HERE ARE SOME other costs of educating a student for a year with typical fees in brackets: General arts and commerce $700 ($350); Dentistry $1,000 ($500); Agriculture $2,000 ($300). The argument, of course, runs: The money was spent on you — why not give some of it back?

* * *

A QUOTE WORTH noting: "It is just as important to reduce waste as it is to increase income. In business, in the home, in the public service, economy consists in seeing that we get our money's worth." — Royal Bank of Canada's Monthly Letter, November, 1956.

* * *

WORKING CONDITIONS in retail trades are getting steadily better, a current Labor Department survey shows. In London, Ont., 22.6% of store office employees work less than 37½ hrs. weekly; in Sudbury, 35.6% of sales staffs get three weeks' holiday after five years; in Winnipeg, 74.8% of sales staffs get more than nine paid statutory holidays a year.

* * *

WE'RE BUYING more from Russia. First half imports up nearly five times to close to $500,000. And half of this is in platinum, palladium and iridium. Rest in furs — including bearskins, naturally.

* * *

CANADIAN EXPORTERS will find improved prospects in Indonesia for sale of capital equipment and industrial raw materials. Country's imports from Canada fell from $6 million in 1952 to less than $1 million last year. But Indonesia has tightened up her domestic financial structure and simplified her foreign exchange rules in drive for self improvement.

* * *

HIGHWAY CONSTRUCTION costs in Canada will continue to rise, placing federal and provincial highway officials in uncomfortable dilemma: Build now and face further cost tightenings; put off necessary roadwork. General construction costs went up 5%-6% this year, as against 2%-3% in 1954 and 1955.

* * *

COMPETITION in highway building has been so keen that many contractors were shaving their bids to the danger point; now they are bidding higher. Costs are rising even more rapidly in the U. S. (where there was an 8% rise this year). Planned interstate highway network may cost twice the estimated $27.5 billion before it's done.

NEW VARIETIES of soft drink will come on the market soon. Four of the biggest manufacturers are experimenting with new lines. A few of those upcoming: Black currant, mint-ginger ale, red cherry, grapefruit and strawberry cream.

* * *

UNIVERSITY GROWTH is mushrooming in Soviet Union. New university has been opened in Yakutsk, and 1,200 students said attending. Canadian equivalent would be smack in middle of Great Slave Lake in Northwest Territories—600 miles due north of Grey Cup.

* * *

WHEN YOU START a food giveaway program, it's hard to decide where to stop. U. S. Agriculture Department turns over huge surplus food stocks to state welfare departments which set their own distribution rules. Mississippi at one point enrolled 25% of her population. In Pennsylvania the food is given to striking union members—i.e., the taxpayer subsidizes one side in labor disputes.

Stock Market Highlights

Industrials

Canadian industrial stocks still sliding in an almost uninterrupted series of daily declines although spovadic signs of firmness appear on normal pace-setting **Wall Street.** For details on some of the stocks that moved see p. 4.

Mines and Oils

Mining and oil issues also get caught in slump. Declines particularly broad among lower-priced stocks. For details on some of the stocks that moved, see p. 43.

Base metal leaders slip quietly. Some signs of increase in selling pressure apparent with buyers still staying out of the market.

Western oil and gas stocks irregularly lower despite some periodic bursts of demand.

MEMO TO BUSINESS MEN

Re: CHRISTMAS GIFTS

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EATON'S OF CANADA

Fast or Slow?

In the final analysis, most people buy stocks to make money.

Some hope to make it quickly.

Others invest for the long pull. They have college in mind for the kids, or a "someday" cruise around the world, or they're looking ahead toward retirement.

Knowing which group you belong to makes a mighty big difference, of course.

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Trend of Business

Industrial output surges forward again with the fall speed-along of business. New estimates place total September output of Canada's mines and factories 3.8% higher than a month earlier and 6.4% above year-earlier levels. Mining output with a 13.5% year-to-year gain took the biggest jump. Manufacturing production ran 4.1% above that in Sept. '55 with production of durable goods providing particular strength. Big gains for nonferrous metals and iron and steel products.

Wheat exports climbing rapidly. Prairie farmers marketed 9.4 million bu. in week ending Nov. 7, 96% more than a year earlier. In the same week, exports passed the 5 million bu. mark for a year-to-year increase of 68.9%. So far in the crop year that began Aug. 1, 76.2 million bu. exported, 43.5% more than in the same period last year. Wheat on hand—after prairie marketings of 78 million bu.—totals 350 million bu., 4% less than a year ago.

Pipeline deliveries of oil 26% higher in September than a year ago and top 22.7 million bbl. This pushed first nine-month deliveries to a total of 200.6 million bbl., 24% more than in the same period last year. Biggest percentage gain took place in B. C. while largest amount delivered went to Quebec.

Gold production slips again in September. The month's output at 394,312 fine oz. was 10.4% below that of a year earlier with smaller output in all major gold producing areas. Year to date output at close to 3.3 million fine oz. is off 2.6%. Mines in Quebec, Prairies and B. C. down enough in first 10-month period to offset gains in Ontario, NWT and Atlantic Provinces.

Coal producers keep up steady gains through October in contrast to the record of declines over the past several years. October production up 2.7% while first 10-month output totaling 11.7 million tons, 3.8% higher than in the same months in '55. Output higher in all coal producing areas. Coal imports rising even more sharply: 27.2% greater in October and, totaling 19.7 million tons in the first 10 months, up 20.6%.

Electric power stations boost output sharply in September to meet the steadily multiplying needs of homeowners, business, industry. September production in central electric stations at almost 6.9 billion kwh. up 15% bringing first nine-month total to 59.5 billion kwh. for a 5.9% year-to-year gain.

Manufacturers shipped $1.8 billion worth of goods in September, about 2% less than in the preceding month, but 2.5% more than a year before. This brought the value of first nine-month shipments from Canada's factories to a record $15.9 billion, a full 10% higher than shipments to customers in the same nine months in '55.

Inventory on hand at the beginning of October was well over $4.5 billion, about the same as a month earlier and sharp 11.7% more valuable than a year earlier. Manufacturers consider this increase necessary to meet expected big new orders over coming months if materials bottlenecks are to be avoided.

New orders for manufactured goods still pouring into the factories. During September these were valued at $1.8 billion, worth some $83 million more than those placed in the same month last year. Unfilled orders at the beginning of October were estimated to be worth $2.7 billion, about 6% or $145 million higher than at the beginning of October '55.

How the mines are doing. In first nine months of '56, production totals were: copper 265,999 tons (+11.4%); nickel 134,119 tons (+2%); lead 140,088 tons (—10.2%); zinc 320,021 tons (+0.4%); silver 20.5 million fine oz. (—1.8%). In latest month reported, September, copper output up 12.7%, nickel up 5.2%, lead down 2.6%, zinc off 12.8% and silver up 4.2% compared to a year ago.

A look at trends in the U. S. Latest weekly indicators show that toward the end of November: consumer buying running above that of a year earlier; bank clearings sharply higher; building permits up moderately. At the same time industrial output close to that in previous week, moderately exceeding that of a year ago. Compared to recent trends, there's more strength in auto production, electric power and petroleum output. While easing in most recently reported week, steel, lumber and food processing output still higher than in Nov. '55.

Major Weekly Indicators

	Latest Week	Week Ago	Month Ago	Year Ago
Department store sales, % ch. from year earlier	—4.4%	+0.7%	+6.0%	+10.8%
Carloading totals (cars)	85,613	91,157	83,283	84,784
Eastern Canada (cars)	56,694	59,442	53,682	56,130
Western Canada (cars)	28,919	31,715	29,601	28,654
Iron and steel (mfg.) (cars)	1,289	1,491	1,480	1,374
Ores, concentrates (cars)	9,070	11,735	10,411	7,801
Base metals (cars)	787	747	704	677
Lumber, timber, plywood (cars)	3,955	4,213	3,773	3,852
Cement (cars)	647	739	996	978
Passenger car production (no.)	8,575	8,282	5,207	6,228
Truck production (no.)	2,169	1,975	1,956	817
Bus. fail., 4-wk. moving av. (no.)	27.8	29.3	23.5	30.0
Chartered Bank				
Personal savings ($ millions)	5,995	6,048	6,033	5,642
Loans outstanding ($ millions)	5,340	5,336	5,287	4,800
N.H.A. mtge. holdings ($ millions)	478	473	458	250
Bank of Canada holdings of				
Securities ($ millions)	2,385	2,360	2,417	2,396
Short-term govern. ($ millions)	1,093	981	1,045	1,386
Long-term govern. ($ millions)	1,358	1,345	1,338	948
Other securities ($ millions)	17	17	17	52
Canadian dollars (U.S. cents aver.)	103.808	103.653	102.781	100.007
T.S.E. industrial index	444.60	451.12	461.42	431.21
Yield, 114 stocks	5.06%	4.93%	4.84%	4.44%
Bank Clearings				
Montreal ($ millions)	776	704	710	616
Toronto ($ millions)	1,015	784	846	863

*10-day end-of-month period.

Facts by the Month

	Latest Month Available	One Month Previous	Two Months Previous	One Year Previous
WHAT WE PRODUCE—				
*In all industries (Index)	299.1	288.1	284.9	281.3
*In factories (Index)	295.9	287.7	286.4	284.3
*Total nondurable goods (Index)	259.6	252.5	240.5	250.3
Food & bev. (Index)	273.8	267.1	272.4	280.8
Textiles (Index)	163.4	130.4	191.8	179.7
Clothing (Index)	155.2	141.5	150.1	146.5
Chemical products (Index)	299.0	306.7	316.6	285.7
*Total durable goods (Index)	353.8	343.0	358.3	337.6
Iron & steel products (Index)	323.1	322.9	335.5	288.4
Primary iron & steel (Index)	412.5	405.7	421.8	372.2
*—From mines (Index)	313.0	288.9	279.3	275.7
Metals (Index)	148.2	147.1	154.0	147.4
Nonferrous smelting, refining (Index)	296.3	297.9	285.4	259.0
Gold (Index)	94.5	96.7	109.3	107.9
—From farms				
Hogs graded (000)	450	352	376	408
Cattle delivered (000)	198	147	143	180
Flour (Index)	138.6	146.1	137.6	132.5
—From sea				
East Coast catch ($000)	4,371	7,044	8,189	4,468
West Coast catch ($000)	4,310	7,022	[illegible]	4,466
—From forests				
*Newsprint (000 tons)	514	580	532	508
Pulp (000 tons)	913	843	818	840
—In powerhouses				
*Electricity (Index) (seasonally adjusted)	327.3	327.3	328.0	285.2
WHAT WE SELL—				
Retail sales ($ millions)	1,175	1,225	1,185	1,132
Dept. store sales ($ millions)	106.3	91.4	78.8	102.3
Wholesale sales ($ millions)	621	673	661	619
Mfrs. outstg. orders ($ millions)	2,750	2,718	2,733	2,605
Pass. car sales (units)	25,746	34,088	42,076	24,939
WHAT'S ON HAND—				
Mfrs. inventories ($ millions)	4,579	4,563	4,557	4,100
Dept. store stock sales ratio	2.6	2.8	3.6	2.5
SPENDING, SAVING POWER—				
Labor income ($ millions)	1,229	1,222	1,216	1,167
Dividend payments (Index) (annual rate)	312.6	312.5	307.8	282.3
JOBS—				
Persons with jobs (000)	5,674	5,676	5,532	5,477
Jobless seeking work (000)	102	97	103	142
Do. (% of labor force)	1.7%	1.6%	1.7%	2.5%
CONSTRUCTION—				
Contract awards ($ millions)	296	400	380	301
FOREIGN TRADE—				
Exports ($ millions)	409	426	430	389
Imports ($ millions)	441	475	484	414
MONEY—				
Money supply ($ millions)	5,821	5,840	5,684	5,808
Cheques cashed ($ millions)	14,801	16,402	17,852	13,636
Life insurance sales ($ millions)	244	252	281	212
*Notice deposits ($ millions)	6,496	6,418	6,396	6,333
*Current public loans ($ millions)	5,280	5,321	5,307	4,426
PRICES—				
Consumer price (Index)	119.8	119.0	119.1	116.9

Index based: production wholesale sales 1935-39=100; consumer price index 1949=100; manufacturers' inventories outstanding orders Dec., 1952=100.

STRATEGIC MATERIALS—Production and Supply—

	Latest Month	Month yr. ago	Yr. to date	% chge. yr. to date
Steel ingots and castings (000 tons)	424	374	[illegible]	+20.5%
Primary copper (000 tons)	31.3	27.6	[illegible]	+11.4%
Nickel (000 tons)	14.5	16.7	134.1	+2.0%
Cement (000 bbls.)	2,591	2,306	21,945	+15.8%
Lumber (millions fbm.)	526	772	5,479	—0.3%
Lumber exports (millions fbm.)	367	472	3,678	—44.9%

*New item this week.

Date of issue for your file, The Financial Post, Dec. 1, 1956.

New Tariff Schedule Due In Parliament Next Month

OTTAWA (Staff)—A new tariff schedule for primary iron and steel products and for pipe should be submitted to Parliament in January.

It results from the Tariff Board's study requested by the Minister of Finance (FP, Sept. 29).

The Tariff Board report is understood to be almost complete, though its delivery to Finance Minister Harris could be delayed by printing and translation.

The minister is obliged to publish Tariff Board reports within 15 days of receipt if Parliament is sitting. In this case an argument had been made that publication might be against the national interest, since the proposed tariff changes must involve international negotiations.

But Mr. Harris is unlikely to try to evade the statutory obligation to publish; and men with long experience of international tariff negotiations don't believe that Canada will suffer merely because other countries have some months' warning of the sort of things we may ask for. They could probably make an excellent guess anyway.

If the primary iron and steel tariff is to be changed, the new schedule can't come into effect until Jan. 1, 1958. Until that date present Canadian rates are "bound" as part of our tariff bargains with the United States.

But the revised GATT provides a chance, under the new Article 28, to negotiate our way out of the binding. Such negotiations may be started any time after July, with the idea of having them completed by the end of 1957.

We might also be required to negotiate with other countries having a substantial interest in selling iron and steel and pipe to Canada. These would be, at least, the United Kingdom, Germany and Japan.

The new Tariff Schedule recommended by the Tariff Board will not necessarily be accepted by the Government—though the chances are in favor of acceptance. It will represent a new "package" in which items may be completely redefined, ad valorem (or percentage) rates may be substituted for specific rates, and so on.

There may be room for argument whether the proposed new schedule, over-all, represents an increase or a lowering of duties: some might be up and some down.

The Department of Finance will have to examine the new package very carefully to see which way the balance lies. If the whole schedule appeared to impose higher rates than before, then U. S., U. K., Germany and Japan might be able to claim other concessions as the price of letting us out of our present "bound" rates.

If Canada could claim that the net effect of the new schedule was to reduce rates, then we might even claim some concession from them.

It is at this stage that the Government will have to consider the iron and steel tariffs in relation to tariffs on other commodities, in order to make sure that we don't lose more on the swings than we can gain on the roundabouts.

The case for a general tidying-up of the muddled and out-of-date iron and steel tariffs is contested by very few. The argument will be whether the tidying-up increases or decreases the protection afforded to Canadian primary producers of iron and steel and pipe.

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RIO TINTO MINING CO. shareholders will meet Dec. 10 to confirm an agreement by Rio Tinto to purchase up to $6 million general mortgage bonds of **Northspan Uranium Mines**, to confirm making of loans totaling $450,000 to **Algom Uranium Mines Ltd.** and to approve an increase in the board of directors from 12 to 14.

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Don't Bet on Early Easier Credit Line

(Continued from page 1)
keen to pay better than 4% for six-month money when it had around $500 million in cash in its own kitty.

Some of the maturing issue was already held in government accounts. It is not revealed yet how much of the $150 million to be retired is being covered by cash funds. But there's little doubt that the Government could fairly easily have retired another $100 million.

It probably would have done so; except that this would have involved either putting more money into the hands of the public or straining the Bank of Canada's capacity to mop it up by open market operations.

The obvious lesson of the refunding is that the Government remains very anxious not to enlarge the money supply.

It's also noteworthy that the choice of six-month and 12-month maturities on the new issue gives it two early chances to think again.

—The total money supply at Nov. 14 was still only $11,326 million—$31 million less than November last year. (This is total bank desposits, including government, less float, plus notes circulating outside banks.) To judge from this figure, you might say the supply was too short because it hasn't even kept pace with the natural growth of the economy.

The missing factor is the rate of utilization of money. There's no very precise way of judging this; but obviously a lot of inactive money has been brought into use during the last 12 months. The Gross National Product is about 10% higher, which suggests that we have been getting 10% more use of the same money supply. This is borne out by the number of cheques cashed (up 9% in September over a year earlier), and the turnover of current deposits (August figures show about the same increase).

—The Federal Government's budgetary revenues are about 7% higher than the forecast made last April. This is an estimate of what the figure for the year will be.

The budget estimate was $4,763 million. It is now certain that the year's revenues will be above $5 billion. The FP estimate at this time is $5,100 million.

Expenditures for the year will also be above the forecast, though the increase will be less than 2%. FP's current estimate is $4,725 million, compared with the forecast of $4,650 million.

Principal contributors to this increase are interest charges and the Defense Department, which will be closer than usual to its ceiling.

The estimates leave a budget surplus of $375 million, somewhat higher than the estimate given on November 3.

One reason for the change is the pick-up in corporation income tax payments in October, after a very slack September. It has prompted hopes that the lag of the early months may be made good from now on.

—The rate of new public issues is keeping up at a great pace; and indications from market gossip are that the line-up of eager borrowers has reached huge proportions. One estimate which has made an impression here is that almost $700 million is involved in issues which are either now being negotiated, or which borrowers are seriously interested in getting.

While it is agreed that there is no necessary relationship between the rate of borrowing and the rate of new work undertaken, the pressure for new funds does not suggest any relaxation in the pressure to grab men and supplies and facilities.

Men, particularly, look like being short (FP, Nov. 24); and in one way this is the most inflationary shortage of all. When the price of labor has been bid up, it has a way of staying up with a consequent permanent increase in costs.

Steel Makers 'Surprised' At Orders Dip

(Continued from page 1)
ties overhanging the business picture have prompted customers to reduce forward orders position and live off inventory for at least a few more weeks. This is particularly true of large and small appliance makers, one of the major consuming industries of cold rolled sheets.

The steel mill order books for first quarter 1957 deliveries have been opened since mid-October and although a sizeable amount of first quarter business has been flowing in, most of it represents February and March deliveries. Right now January mill space for cold rolled sheets in Canada is going begging for business. If this business is not placed by middle of December, it cannot be made up later and will represent lost steel production.

But steel officials remain optimistic over the general business outlook for 1957. They still look for close to capacity operations in practically all other steel products and even think there's a good chance of a belated rush of cold rolled business after the turn of the year—such as occurred early in 1955.

The view is being expressed more frequently today among steel people that the time has now come for Ottawa to seriously reassess its whole forward credit position in the light of the obviously changing business picture.

They claim the tightened credit regulations, for instance, a major factor in downward trend in new housing starts, is now affecting demand for a broad line of household furnishings and appliances, which in turn affect dozens of participating industries.

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Oilmen Ask Bigger Output

(Continued from page 1)
of around 525,000 b/d in December.

Here are December nominations of major companies in Alberta:

Oil Nominations

	Dec. 1956	Nov. 1956
Imperial Oil	162,525	136,395
B.A. Oil	43,968	45,155
Shell Oil Co.	40,400	40,000
General Petroleum	32,500	27,400
Canadian Oil Cos.	29,000	29,000
California Standard	22,300	4,000
Shell Oil Co. of Can.	15,700	11,785
Northwestern Refining	14,000	6,000
Internat. Refineries	11,290	8,330
McColl-Frontenac	10,000	11,000
Consumers Co-Op.	9,500	6,684

Look For It Here

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INDUSTRIALS

Aluminum Co.	25	Imp. Tobacco	31
Anthes Imp.	21	Int. Harvester	32
Atlas Stl.	31	Lake of Woods	31
Blue Ribbon	31	Maple Leaf Mill	5
Boyle Bros.	4	Marcus Loew's	33
Canadair	36	McColl Front.	20
C. Bank Com.	24	Melcher's	39
Can. Vinegars	33	Mex. L. & P.	5
Cons. Bk.	34	Ogilvie Flour	63
Curran Hall	18	Page Hersey	31
Dalex Co.	25	Sagterms	25
Dofasco	31	Sherwin W.	39
Eaton's	25	Sobey's	33
Electrovert	30	Trans Can. Gas	
Gen. Dynamics	26	Tuckett	31
Holland Amer.	12	Union Gas	
Hudson's Bay	30	United Grain	31

MINES & OILS

Anglo-Hur.	12	Eldorado	34, 42
Asbestos Corp.	33	Gunnar	24
Aznazu	42	Kirk Hudson	41
Atlas Chib.	42	Lyndvue	41
B-A Oil	33	Makaoo	42
Bulolo	42	Montgary	42
Central Leduc	43	New Chamb.	42
Cent. Mining	41	Newkirk	41
C. Regcourt	43	Noranda	42
Continental	41	Pato	42
Conty Explor.	41	Placer	42
Coppercorp	41	Que. Lithium	42
Deer Horn	42	Rexspar	42
Del Rio	40	Rio Tinto	40

There's No Change In Status Of U. S. Owned Funds Here

(Continued from page 1)
especially attractive for Americans because the funds pay no dividends, and reinvests all income. This means that the Americans can defer current personal tax payments and instead pay only at capital gains rates, with a 25% maximum, when they sell their shares.

The companies themselves pay only small taxes, if any, because of their non-resident-owned status.

If Washington had plugged this tax loophole, it might have had serious effects on Canadian stock prices. It could have led to a liquidation of a large share of the $300 million invested in Canada by Americans via the investment companies.

This loophole was one of 33 listed by the Bureau of Internal Revenue which needed a close look by Congress. A subcommittee of the House ways and means committee studied all 33 points.

The Internal Revenue, however, failed to offer any solution to the one point affecting Canada.

In addition, only one witness was scheduled to testify on this—an official of the National Foreign Trade Council—but he withdrew at the last minute.

As a result, nobody testified on the point, and with no suggested solution by the Bureau of Internal Revenue, the subcommittee has pretty well decided to forget about plugging this one loophole.

A bill to be presented to the next Congress already has been prepared in draft form on the tax loopholes, and no mention is made of the investment funds operating in Canada.

In describing the situation, but without offering a solution, the Bureau of Internal Revenue said:

"Some foreign countries have provided especially low tax rates for investment companies having non-resident stockholders in order to attract investment funds to their countries.

"Canada, for example, provides that investment companies, incorporated in Canada, at least 95% of the value of the stock of which is held by non-residents and which meet certain other requirements, are to be subject to a maximum tax of 15% as contrasted to the general corporate rate in Canada of 45%.

"Investment companies with U. S. stockholders have organized in foreign countries under laws of this type, have registered with the Securities and Exchange Commission in order to sell securities in this country and follow the announced policy of paying little or no dividends and plowing back the dividend and other income they receive into additional investments.

"In these cases the only taxes applicable are the capital gains tax paid to the U. S. upon the sale of the investment company stock by the U. S. stockholders, and the nominal corporate tax paid to the foreign government.

"If such companies were incorporated under U. S. laws, they would be treated in one of two ways. Either they would be required to distribute most of their earnings currently as regulated investment companies, in which case the ordinary individual income tax would be applicable, or the regular corporate income tax would be applicable with the additional risk that the accumulated earnings tax might be applied."

Ontario Income Tax? Ottawa, Quebec Wait

(Continued from page 1)
keeping Quebec and Ontario corporations on a more equal footing. But if Mr. Frost levies more than nine percentage points, Mr. Duplessis will be undoubtedly tempted to match his rate.

In terms of actual revenue, there is nothing in it for either provincial government unless they raise corporation taxes above nine points: in other words unless they double-tax their corporations by at least a few percentage points.

Even if Mr. Frost starts a provincial corporation tax at 9%, you can assume that he contemplates raising it later. He gets no financial advantage by raising 9% himself, when Ottawa would pay it to him anyway. But, by not signing a tax rental agreement, he keeps his freedom to tax at more than 9% any time he likes between now and 1962.

British Columbia, because of its peculiar position under the old tax rental arrangements expiring this year, will probably get next year just about the same revenue as it would have got under the old formula. If the new formula (based on yield of income taxes and succession duties, plus an equalization payment) gives Mr. Bennett less than the old formula (based on provincial population and Gross National Product), then he can stick to the old formula. This was what was expected throughout the negotiations about tax arrangements of the last 18 months.

But in fact tax revenues have been rising so rapidly everywhere, that the new formula will probably turn out to give B. C. a better deal right from the start.

Worried Business Pushed Ottawa Tax Note to U. S.

(Continued from page 1)
which country would have the right to levy current taxes where U. S. ownership is involved.

Urging that the Federal Government should take a strong stand, the Monfreal Gazette last week labeled the U. S. action "the clutching hand."

The Canadian Government's attitude, it said, "may be technically proper, but it opens up the danger that a protest after the case is settled will be too late, and will leave Canadian companies vulnerable to U. S. tax collectors who want to tax the Canadian interests of U. S. citizens."

No Complaint

According to the FP's Washington correspondent, U. S. officials say that so far, Canada has made no real complaints in the case.

The Canadian Government did state, in May, that the matter was of official interest to Canada. But that was all until this week, when it decided to let Washington know officially that it did not support the claims of the U. S. revenue officers against Premium Iron Ores.

"The Canadian views, however, have been made quite clear," a U. S. official says. "But the case is now in the hands of the judge and can't be interfered with. No one could do anything now. The time to make a protest was before the case went into courts."

Said another U. S. official: "The whole thing is one of the problems of interpretation of the Canada-U. S. tax agreement."

A Canadian observer sat in on most of the court case against Cyrus Eaton, William Daley and Premium Iron Ores. Canadian Ambassador Arnold Heeney was in Ottawa early this week and flew back to Washington at midweek. While in Ottawa he may have been briefed on the Premium case and what further action to take on it.

Within the next few weeks a decision on the case may be forthcoming. When he wound up hearings last summer, the tax court judge said he expected to make his decision "before Christmas."

Meanwhile, U. S. officials in Washington report they are keeping in close touch with Canadian revenue authorities.

There have been a number of telephone conversations between Revenue Minister McCann and his opposite number in Washington concerning the case.

Quebec Power Net Up 11.1%

MONTREAL (Staff) — **Quebec Power Co.** for the nine months ended Sept. 30, 1956, reports the various construction projects started earlier in the year are progressing favorably.

Company's south shore system is now connected to the **Shawinigan Water & Power Co.'s** new 230,000-volt Chaudiere Terminal Station near the Quebec Bridge which will result in improved service. Installation of an additional 2,000-kw transformer banks at the Sillery and St. Foye substations has been completed.

A new 66,000-volt line from St. Pascal to Rivière du Loup was placed in service early in August and the power is now being delivered to the municipal distribution system of Rivière du Loup.

At Levis, steel structure of the new service building has been erected and work is proceeding on the roof and walls.

At Queens St. substation, the roof, all walls and floors of the new building are completed and the installation of the control equipment and interior finishing are going ahead according to schedule; outdoor equipment will soon be connected and ready for service.

In the period, kwh sold totaled 711,049,917 against 579,033,749 kwh in the like period of 1955. System peak load reached 216,600 kw by the end of September compared with 177,400 kw during the same period in 1955.

Net profit for the period was up 11.1% from $816,093 in 1955 to $906,511 in 1956.

Net profit of the **Quebec Railway, Light & Power Co.**, a wholly owned transportation subsidiary at Sept. 30 was $36,446 ($13,439). Improvement is due in part to higher fares since June, 1955, and also to careful rescheduling of service in view of decline in the volume of traffic, President J. A. Fuller said in an interim report to shareholders.

Where Invest $50 Million? Arts Council Answer Soon

(Continued from page 1)
(November 10). Now it is getting a wide measure of acceptance, and the current odds are that the Canada Council will be left to manage its own investments.

But this may still mean little or much, depending on the conditions which are imposed on it. The possibilities run all the way from the most conservative to the most liberal — most emphatically with small letters in each case.

(a) The Council might be restricted to "trustee securities" — broadly, bonds of Canada, direct or guaranteed, provinces or municipalities; first mortgages. No stocks.

(b) It might be given the same limitations as insurance companies, which would permit investment of 15% of its capital in common stock of the 247 Canadian companies which meet the requirements of the Act.

(c) It might be treated like a pension fund, with somewhat wider discretion.

(d) It might be given complete freedom.

The choice of these conditions of investment, from the most restrictive to the least, has not yet been made. One sage observer remarked "The way to make them very conservative is to give them complete freedom"!

2. Personnel. Choice of members for the Council is closely related to its degree of financial responsibility. Government opinion has now veered away from the idea of selecting mainly people with qualifications in one or other of the arts or humanities. It is now probable that the 15-man Council will have a good number of senior businessmen, combining a record of public service with a taste for, and an interest in, the arts, but with no claim to be experts.

The reported choice as Chairman of Brooke Claxton, former Defense Minister and now vice-president and general manager of the **Metropolitan Life Insurance Co.**, strengthens this trend. It is now likely that at least five of the 15 members will be men with business experience which would fit them to form a Finance Committee to manage the Council's investments. They might also have power to co-opt prominent investment men to assist them.

It is expected that the senior permanent officers of the Canada Council will be appointed by the Government, as the president and vice-president of CMHC are. They will not be civil servants, though the Government will fix their salaries — probably at a level corresponding with the director of the National Gallery or the national librarian ($12,000-$13,500). Up to this week, it's understood that these principal officers had not yet been chosen.

Council Staff

The rest of the Council's staff will probably be appointed and paid by the Council.

3. Relations with Parliament. The original idea of providing an opportunity for parliamentary control by having principal staff salaries subject to annual vote is now out of favor, and perhaps abandoned.

The present plan, which will probably be accepted in the Bill, is to require the Canada Council to submit an annual report to Parliament. It would be tabled; and present government thinking is that there should be an opportunity for general discussion of it in the House of Commons. But this may require the adoption of some new device.

The Council will not be dependent on the House for its funds from year to year. Presumably—though not certainly—it will have to report through some minister, as the CBC reports through Dr. McCann. But the last thing anybody wants is to have any cabinet minister, or the Government as a whole, defending in parliamentary debate every action the Canada Council takes. This would tend to negate the whole effort to keep the Council independent and nonpolitical.

Compromise In Quebec Grant Row Possible

(Continued from page 1)
repeated, it may come from private sources.

—The Quebec government has been more than making up the maintenance grants which it has been rejecting since 1953.

—The Quebec universities are under great pressure for expansion.

At the NCCU conference, Mr. St. Laurent presented a complicated constitutional argument to the effect that it would be appropriate for the Quebec universities to accept the grants of both types. Mr. Duplessis rejected this by an equally complicated argument of his own.

However, the stalemate has been broken by an intimation from the Quebec premier that he's ready to listen to propositions from the universities.

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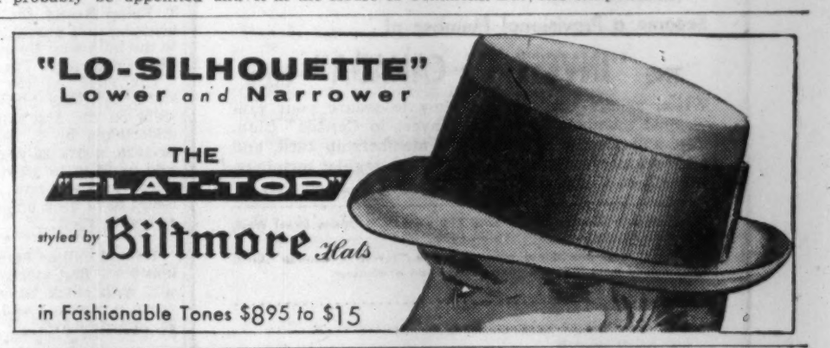

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The Rights enable shareholders to buy stock at a price considerably below the current market.

We believe it is in the interest of shareholders to exercise their Rights without delay.

Investors who are not now shareholders may purchase Imperial Oil Rights through us and subscribe for the Capital Stock at $44.00 per share and thus secure an attractive investment in the largest oil producer, refiner and marketer in Canada.

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Note

by Vincent Egan

A private placement of a new **Union Gas** bond issue is expected, and may be in the order of $25 million. Earlier this year, Union's President D. P. Rogers said his company would launch the largest single natural gas construction project ever undertaken in southwestern Ontario when long-term supplies of natural gas become available. Funded debt at present is $7.2 million 4¾% first mortgage bonds, due 1968, underwritten in 1953 by **A. E. Ames & Co.**

* * *

This hasn't been an easy year for **Trans-Canada Pipe Lines.** First, there was last spring's parliamentary battle over the Government's loan. Then the U. S. steel strike washed out plans for completion of the Alberta-Winnipeg stretch this year. Now, just when financing is more or less arranged, the bond market is making borrowing more expensive than at any time in recent memory.

The financing is still being pushed ahead, although possibly not with as much speed as would be normal if this were a borrower's market.

This week, the debenture and stock portion of the issue (up to $120 million) was filed with the SEC in Washington. Similar action will be undertaken here at "a later date."

* * *

This week's tight money note: A leading life insurance company has just lent a substantial amount of money for 30 days at 4¼%, highest interest rate it has ever received. Previous rate on 30-day loans was 4%.

* * *

The $15 million 5¼% issue of **T. Eaton Realty Co.** 20-year debentures will probably be offered to the public by **Dominion Securities Corp.** next Tuesday.

The yield on the new issue, 5.42%, is 0.02% higher than the yield on the first financing ever undertaken by T. Eaton Realty. In 1928, a 5% 20-year bond was sold at 95.14 to yield 5.40%. Between then and now, other Eaton issues have been offered at yields as low as 3½%.

* * *

The $26 million **Stanleigh Uranium** 5½% first mortgage bond issue, with stock bonus and warrants, is reported sold. Price was 95, to yield 6.57%.

* * *

Major new corporate financing this week: **Spartan Air Services Ltd.** $1.5 million 6% 10-year debentures, offered at par, and 30,000 n.p.v. common shares expected to be offered at $9.25, by **Gairdner & Co.** This is first public financing by the 10-year-old Ottawa firm.

* * *

Province of Manitoba is calling for tenders on a $10 million 4½% bond issue, with proceeds to be used for power and telephones. One quarter of the issue will mature in eight years, the remainder in 20 years. . . Province of Quebec has postponed its proposed $25-$30 million issue . . . Province of Ontario's recent issue of 4½s have been in strong demand.

* * *

Wiesenberger Investment Report (New York) notes that **Argus Corp.** should have higher earnings next year despite the cut in dividend by **Massey-Harris-Ferguson,** one of its large holdings. Argus' income from M-H-F will be down $150,000 in 1956 and $300,000 anually, but this will be made up through increased dividends declared by three of its other large holdings — **Dominion Stores, Dominion Tar & Chemical,** and **B. C. Forest Products.** Next year, it will start to reap the benefit of the new **St. Lawrence Corp.** dividend rate, double the old rate when adjusted for stock split.

* * *

The same Wiesenberger report estimates **Brazilian Tractor** 1956 earnings at close to $2 a share, compared with $1.18 last year. Total cash dividends in 1956 were 75c, vs. 3c in 1955; a 5% stock dividend was paid in each year. Legislation now pending in Brazil will, if passed, liberalize the rate of return allowed on foreign investments.

* * *

Earnings of **Mitchell Press,** Vancouver, in the six months ended Aug. 30 were enough to cover bond interest about six times, and full year's results should be about the same, according to a **Pemberton Securities** news letter. Pemberton last year underwrote a $225,000 issue of 5½% 15-year first mortgage bonds of the west coast publishing firm.

Six times interest charges would be $74,250. In the fiscal year ended Feb. 28, 1955, net earnings available for bond interest (after depreciation) were $37,654.

* * *

An estimated $12 million has just been distributed to more than 200,000 members of Christmas clubs in Canada. In the U. S., where the Christmas club has been established longer, a record pay-off of $1,087 million has been made to 12.8 million savers.

The clubs, operated through banks and trust companies, accept non-interest-bearing deposits weekly throughout the year from members, pay back the principal in a lump sum just in time for Christmas shopping. About 70% of Canadians who start a plan finish it.

Banks don't make money on the club itself, but the club attracts new clients. In the U. S., about 30% of each year's pay-off goes right back into the bank as a conventional savings account.

Boyles Drilling Earns 90c a Sh. In First Half

Boyles Bros. Drilling Co., Vancouver, net profit for the six months ended June 30, 1956, was $370,389. Earnings equalled 90c per share on the combined A and B stock, and approximately three times the preferred dividend rate on the A stock.

Earlier this year an issue of 100,000 cumulative participating Class A shares, no par, was offered at $10.90 per share by **Pemberton Securities Ltd.,** Vancouver.

Offering of 60,000 A shares did not represent new financing and the proceeds did not go into company treasury. Proceeds from sale of 40,000 A shares and 15,000 B shares were used to retire bank loans incurred primarily for financing the plant expansion in Vancouver.

The A shares are entitled to cumulative preferential dividends at rate of 60c annually. Any additional dividends are to be paid equally on A and B shares.

Dividend Changes

WESTERN PLYWOOD—Class B, 35c extra payable Dec. 18 to holders of record Dec. 3, ex-dividend Nov. 29. Total paid, in 1956 to date, 60c plus 35c; in 1955 to same date, 50c plus 25c; total paid in 1955, 50c plus 25c. Recent price: $17.

BRITISH AMERICAN BANK NOTE — Common, 30c plus 50c payable Dec. 15 to holders of record Dec. 1, ex-dividend Nov. 28. Total paid, in 1956 to date, $1.20 plus 50c; in 1955 to same date, $1.10 plus 40c; total paid in 1955, $1.10 plus 40c. Recent price: $30.

MELCHERS DISTILLERIES — 6% pref., 30c plus 10c payable Dec. 31 to holders of record Nov. 30, ex-dividend Nov. 28. Total paid, in 1956 to date, 60c plus 20c; in 1955 to same date, 60c plus 10c; total paid in 1955, 60c plus 10c. Recent price: $11.

LEVERAGE FUND OF CANADA — Common, 4c payable Dec. 15 to holders of record Nov. 30. Total paid, in 1956 to date, 22c; in 1955 to same date, 20c; total paid in 1955, 20c. Recent price: $5.28 bid, $5.80 asked.

HOWARD SMITH PAPER MILLS — Common, 25c plus 50c payable Jan. 31, 1957, to holders of record Dec. 31, ex-dividend Dec. 27. In 1956, extra of 25c paid Jan. 31. Recent price: $36½ bid, $37 asked.

MERSEY PAPER — 5½% pref., 78.36c payable Jan. 1, 1957, to holders of record Nov. 30, ex-dividend Nov. 28. Initial payment. Recent price: $48.

IMPERIAL OIL — Common, 30c plus 10c payable Dec. 28 to holders of record Nov. 30 ex-dividend Nov. 28. Total paid, in 1956 to date, $1.10 plus 10c; in 1955 to same date, 95c; total paid in 1955, 95c. Recent price: $53½.

INDUSTRIAL ACCEPTANCE — New common, 35c payable Dec. 27 to holders of record Dec. 3, ex-dividend Nov. 29. Initial payment on new stock following 2-for-1 stock split September, 1956. Recent price: $25.

HENDERSHOT PAPER PRODUCTS — Common, 10c payable Jan. 2, 1957 to holders of record Dec. 14, ex-dividend Dec. 12 and 6¼c extra payable Dec. 21 to holders of record Dec. 7, ex-dividend Dec. 5. Last year paid $1 plus 25c extra before 4-for-1 stock split. Recent price: $6¾.

BEAVER LUMBER — New common, 25c payable Jan. 2, 1957 to holders of record Dec. 10, ex-dividend Dec. 6 and 25c payable Apr. 1, 1957 to holders of record Mar. 10, ex-dividend Mar. 6. Previously paid semi-annually at annual rate of 80c. Recent price: $25.

PROVINCIAL BANK OF CANADA — Common, 18c plus 15c payable Nov. 2 to holders of record Oct. 15. Total paid, in 1956 to date, 72c plus 15c; in 1955 to same date, 72c plus 12c; total paid in 1955, 72c plus 12c.

B. C. ELECTRIC — 5% pref. 1956 series, 38c payable Jan. 7, 1957 to holders of record Dec. 7. Initial payment accruing from Nov. 7. Recent price: $47.

NEWKIRK MINING — Common, stock dividend of one share El Sol Gold Mines for each 10 shares Newkirk Mining held, payable Jan. 15, 1957 to holders of record December 31, ex-dividend Dec. 27. Initial dividend. Recent price: $4.60.

Why They're Moving

Facts and comment on what's going on in the market and rumors behind some of the moves.

By FRANK KAPLAN

Stock prices continue sliding lower despite sporadic bursts of selective buying. An almost uninterrupted stream of light selling has pushed many market leaders down to their lowest levels of the year. Currently, Canadian industrial stocks are at about their lowest levels since last June when the market cracked following Eisenhower's illness.

According to brokers, the decline isn't so much the result of any increase in selling as it is a case of a lack of buying interest. However, there are indications that there is plenty of stock overhanging the market. Brief flurries of buying interest have been met readily by offers with the market failing to make any headway.

Illustrating what has happened to market leaders during the current slide are these stocks which recently sold down to touch new lows for the year:

	Latest Price	1956 High	1956 Low	% Loss From High
	$	$	$	
Abitibi Paper	32	43¼	31¾	26
B. C. Forest	12⅛	20	11	39
Building Products	29½	40	29½	26
Canada Cement	28½	37	28¼	23
Canadian Vickers	27¾	46	27¾	40
Famous Players	15¾	22½	15½	30
Imperial Bank	50	63	50	21
Massey-Harris	6⅞	9⅝	6	36
Traders Finance A	40	48¼	39¾	17
Hiram Walkers	63	74¾	62	16

* * *

THE STREET IS TALKING ABOUT—the only major bright spot in industrial markets is in pipelines and major oils. The reason, of course, is the disruption of Middle East oil supplies. **International Petroleum** continues a feature, hitting a top of $44½ before slipping back to $41 up from $38½ recently.

Highlight in pipelines is **Pembina** which hit $50¼ before slumping to $46, down from $46½ recently. One of major reasons for buying in Pembina is interpretation by analysts that the company is earning at the rate of $3 a share. This is based on a recent report. In addition, potential size of Pembina line is being based on company's estimates that the Pembina field will support 5,000 wells, compared with only 1,500 wells now.

* * *

Other pipelines irregular. **Interprovincial** hits $47 and drops to $45. **Trans Mountain** at $93 slips slightly from $95¼. Expansion of Trans Mountain line is seen as a major factor in brightening Pembina outlook since more oil would likely be required from Pembina field. As for major integrated oils, here's their recent action: **Imperial Oil** at $53½ compares with $54½; **B-A Oil** at $45¾ compares with $46¾; **McColl-Frontenac** still strong at $61½, up from $60½ recently. **Canadian Petrofina** participating preferred drops $2¼ at $24¼ from $26½. Petrofina has been depending largely on Middle East crude for its Montreal refinery.

Generally, losers predominate even when news might be described at good. A breakdown of last week's trade on the Toronto market showed that only some 90 issues chalked up gains while about 580 of the stocks listed were lower.

* * *

The Canadian automobile industry appears to be rolling along in high gear. Industry reports indicate near-capacity operations to meet orders from dealers and to get ready for the spring market. But on the stock market, the picture looks different. **Ford of Canada A** drops to a new low for the year at about $103, well down from the 1956 high of $138. Also, **Goodyear Tire** at $140 is down from a recent $144 level. Analysts still predicting a one-fifth rise in earnings.

Dominion Tar put its men on the board of **Howard Smith Paper** after picking up about 16% of the stock. Some speculation that the Taylor interests hold considerably more than this proportion through other branches of the "group" like **Argus Corp.,** and **St. Lawrence Corp.** These issues also weaker. Howard Smith sags $2½ at $36½ from $39; Dominion Tar at $11⅝ is down from $12⅜; Argus has been weak for some time, currently trading at $16¾ off from $18; and St. Lawrence at $71 is down from $74.

* * *

OTHER MARKETS—Over-the-counter dealings quiet. **Northern Telephone** slips 25c at about $3.75 with company raising money through sale of preferred shares. **Chatco Steel** holds in $11 to $12 range after sharp drop from $20-$22 in previous week. Another of the growing list of "suspended" issues (formerly traded on Toronto exchange) is **Morrison Brass** which trades at about $1⅝-$1⅞. When bumped from the board late in September, price was about $6. It dropped sharply to $2½-$3 range and has since slipped quietly lower. Still no word on what final action the Exchange will take.

Mutual Fund Asset Total Up 4% in Qtr.

Mutual Accumulating Fund, Vancouver, net assets rose 4% in the quarter ended Sept. 30, 1956 to $14,267,530 ($13,718,320 three months earlier). Net asset value per share declined to $6.53 ($6.61).

Assets were invested 83.4% (74.4%) in stocks, 13.8% (21.8%) in government bonds, 1.4% (1.5%) in interest bearing cash deposits, and 1.4% (2.3%) in net cash and receivables.

Portfolio changes during the quarter included:

—Increases in 12 stocks.
—Reductions in eight stocks.

Here are the quarter's changes in detail:

Common Stock:	Shares Held at Sept. 30	Change Since June 30
B.A. Oil	15,000	+3,500
B.C. Power	13,300	+7,800
Cdn. Breweries	2,900	—950
Cdn. Oil Cos.	24,000	+6,500
Cons. Paper	5,600	—1,300
Dom. Fdries. & Steel	16,000	+11,100
Dom. Tar & Chem.	37,000	+19,000
Ford Motor, A	5,600	+2,000
Fraser Cos.	3,000	—2,000
Ind. Acceptance	24,000	+16,650
MacM. & Bloedel, B	7,100	—900
McColl-Frontenac	7,200	+1,900
Moore Corp.	5,000	+250
Nat. Drug & Chem.	2,700	—1,100
Powell River	3,700	—1,500
Price Bros.	3,500	—1,000
Royal Bank	3,100	+1,300
Russell Indus.	4,000	—100
Steel of Can.	10,000	+1,900
Traders Finance, A	4,800	+2,300

Imperial Oil . . .

. . . the largest in Canada

Imperial Oil Limited is the largest producer of crude oil and refiner and marketer of petroleum products in Canada.

The Company's earnings have increased steadily from $1.12 per share in 1951 to $2.08 in 1955, while earnings in the first 9 months of 1956 were over 19% ahead of those in the comparable 1955 period. Dividend payments have also risen steadily from 65¢ per share in 1951 to the current indicated rate of $1.20 per share per annum.

Shareholders of Imperial Oil Limited of record November 13th have received Rights to purchase one additional share at $44 for each 20 shares held. The Rights expire December 4th, 1956.

These valuable Rights enable Imperial shareholders to increase their investment in the Company at the attractive price of $44 per share compared with the current market around $53 per share.

To holders of Imperial Oil shares and also to other investors who wish to purchase rights and acquire additional shares through exercising the rights, the facilities of our organization are always available.

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Remington Roll. Elect.	"	$33.95	"	$21.95
Schick Coloured "25"	"	$31.95	"	$19.95
Sunbeam Golden Glide	"	$33.50	"	$21.95
Parker "51"	"	$28.75	"	$18.36

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A Trust Quiz

1. Power may be given an executor in a Will to make estate investments as he sees fit. *True* ☐ *False* ☐

2. When a Will provides income for the maintenance of a widow and children, the widow is taxed only on the amount of the income used for her own maintenance. *True* ☐ *False* ☐

3. Income received by a wife from a gift made by her husband is taxable in the hands of the husband. *True* ☐ *False* ☐

4. A bequest of the family home automatically includes the furniture. *True* ☐ *False* ☐

5. The Canada Trust Company publishes a monthly trust bulletin available on request at any company office. *True* ☐ *False* ☐

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1. True 2. True 3. True 4. False 5. True

Complete explanations of these answers will be supplied upon request.

CT-12

Unusually High Interest Rates

Natural Gas

• • •

These are the two principal subjects discussed in our current issue of "Investment Review".

Suggesting opportunities for investors, the main article states "Yields from fixed interest securities are exceptional and may be but temporary." Outlining the position of Trans-Canada Pipe Lines Limited, the issue includes a map of the Company's transmission system . . . comments on business and finance . . . gives recent news of Canadian companies . . . the World Bank . . . and carries a list of investment recommendations.

For your copy of this interesting publication, telephone, call at, or write to any of our offices mentioning "Investment Review".

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How Net Profits Have Changed

	Nine Months 1956 $	Nine Months 1955 $	Change %	3rd Quarter 1956 $	3rd Quarter 1955 $	Change %
Forest Products:						
Consolidated Paper	11,942,740	9,689,444	+23.2	4,089,778	2,891,092	+41.6
Donohue Bros.	739,267	662,075	+14.7	261,098	230,532	+13.3
Fraser Companies	5,156,994	3,731,524	+38.2	1,768,917	1,347,631	+31.3
Great Lakes Paper	2,452,798	2,539,856	—3.4	845,680	905,430	—6.6
International Paper	61,762,602	58,181,018	+6.2	18,457,168	19,590,065	—5.8
Minnesota & Ontario	5,942,382	4,869,933	+22.0	1,801,687	2,007,906	—10.3
St. Lawrence Corp.	6,708,650	4,622,068	+45.1	2,623,810	1,985,729	+32.1
Total 7 cos.	94,725,433	84,295,918	+12.4	29,848,138	28,958,385	+43.1
Public Utilities:						
Anglo-Canadian Tel.	1,378,381	1,175,358	+17.3	470,744	437,019	+7.7
Bell Telephone	25,870,192	23,186,387	+11.6	8,885,728	7,910,005	+12.3
B. C. Telephone	2,698,307	2,005,791	+34.5	344,947	294,038	+17.3
Gatineau Power	3,489,916	3,155,498	+10.6	1,156,331	888,902	+30.1
International Utilities	2,801,090	2,222,981	+26.0	242,547	40,275	+502.8
Quebec Power	906,511	816,093	+11.1	328,602	272,729	+20.5
Saguenay Power	862,787	1,059,647	—18.6	385,908	302,275	+27.7
Shawinigan Water & Power	8,210,172	6,368,202	+28.9	2,779,504	2,239,831	+24.1
Southern Canada Power	1,418,426	1,245,430	+13.9	454,823	377,374	+20.5
Total 9 cos.	47,635,782	41,235,387	+15.5	15,050,044	12,762,448	+17.9
Mines:						
Campbell Red Lake Mines	1,163,726	902,187	+29.0	489,204	311,593	+57.0
Dome Mines	1,346,014	1,257,979	+7.0	449,245	460,541	—2.5
Hudson Bay Mining & Smelting	17,038,794	14,510,236	+17.4	5,299,410	5,450,685	—2.8
Kerr-Addison Gold Mines	3,741,575	3,036,677	+23.2	1,071,405	1,138,290	—5.9
McIntyre Porcupine Mines	1,946,022	1,936,884	+0.5	548,573	687,563	—20.2
Naranda Mines	14,890,000	9,906,000	+50.3	5,956,000	3,225,000	+84.7
Normetal Mining	2,058,200	2,330,600	—11.7	418,400	937,900	—55.4
Quemont Mining	2,991,800	3,648,600	—18.0	506,400	1,207,600	—58.1
Sherritt Gordon Mines	4,500,107	4,991,126	—10.0	1,204,051	1,919,296	—37.3
Torbrit Silver Mines	*40,000	133,300	....	88,200	14,500	+508.3
Total 10 cos.	49,636,238	42,653,589	+16.4	16,030,888	15,352,878	+4.4
Oils:						
Imperial Oil	51,137,595	42,521,632	+20.3	17,582,401	18,168,155	—3.2
International Petroleum	28,700,000	24,600,000	+16.7	10,200,000	8,500,000	+20.0
McColl-Frontenac Oil	9,334,556	7,730,004	+20.7	3,955,818	3,677,790	+7.6
Trans Mountain Oil Pipe Line	4,769,000	2,045,924	+133.1	2,161,000	986,924	+119.0
Total 4 cos.	93,941,151	76,897,560	+22.2	33,899,212	31,332,869	+8.2
Metals & Metal Products:						
Aluminium Ltd.	42,325,290	36,776,325	+15.1	17,527,633	13,596,767	+28.9
Atlas Steels	2,925,850	1,165,942	+151.0	750,850	257,658	+191.0
Cdn.-Fairbanks Morse	444,578	326,398	+36.2	.....	.....	....
International Nickel	72,594,000	67,651,000	+7.3	20,822,000	22,322,000	—6.7
Montreal Locomotive Works	1,001,000	990,000	+1.1	275,000	179,000	+53.0
United Steel Corp.	760,630	356,839	+113.0	333,363	230,067	+44.9
Total 6 (5) cos.	120,051,348	107,266,504	+11.9	39,708,846	36,585,492	+8.5
Miscellaneous:						
Gypsum, Lime & Al.*	1,472,346	1,524,952	—3.4	675,134	789,064	—14.4
Southam Co.	2,257,499	1,855,491	+21.7	575,044	586,173	—1.9
Total 2 cos.	3,729,845	3,380,443	+10.3	1,250,178	1,375,237	—9.1
Total 38 (37) cos.	409,720,797	355,731,401	+15.2	135,787,306	126,407,309	+7.4

*Periods ended Aug. 31.

SECOND HALF TRENDS By PAUL S. DEACON

How's Your Company Doing?

Business Still Good But Rate of Increase Slows Down

Now that many third quarter profit figures have become available, trends in second half operations of Canadian companies are becoming more apparent.

One big conclusion: The rate of increase in earnings compared with 1955, has slowed down. But for most, business is still very good.

Of 38 companies, listed in an accompanying table, 32 show larger earnings for the first nine months of 1956 than in the comparable 1955 period.

Of these, 23 show third-quarter earnings ahead of the same period last year.

But only 12 companies in the third quarter managed to show percentage gains higher than for the nine months.

The slowdown in the rate of earnings increase in the third quarter was to be expected. The current high level of activity was only getting nicely started in the first half of 1955. It was really rolling in the first half this year.

Thus the contrast was much greater in the early part of this year.

Most companies are still doing better than they were a year ago. But the percentage increase is not so impressive because the comparison now is with a period that was very good.

Several companies report that although business is still running ahead of a year ago, earnings are down because of higher costs of materials and labor. The higher cost of money is also being felt, and will become more significant still later on.

The mining companies have been hit particularly. Although seven out of ten reported increases in earnings in the nine months, only three were ahead of last year in the third quarter.

The utilities are the strongest group. All nine studied were ahead in the third quarter, and only one was down in the nine-month period. Five showed bigger percentage increases in the third quarter than they had experienced over the nine months.

The only one which was down over the nine months was **Saguenay Power,** which had to run well below capacity in the first four or five months because of a water shortage. It wasn't a lack of demand, but merely a temporary physical problem which was quickly solved when water became available from the spring run-off.

The oil companies have also been making a strong showing, and this has been reflected in a better stock market showing recently in a period of generally declining stock prices.

Canadian Pulp Production Booms To All-Time Record

MONTREAL (Staff) — In line with most other segments of the pulp and paper industry, Canadian pulp production is rolling along toward a new record.

For the first 10 months, total output is up almost 6% at 8,756,114 tons, compared with 8,282,353 tons for the like period of 1955.

In October, output was up 61,159 tons to 940,309 tons against 879,150 tons and continued the 1956 trend of year-to-year increases each month. It is estimated total wood pulp output for the full year will be up 5% to 6% over last year.

The record level, of course, reflects the high level of newsprint, fine paper and board production. For the short run, observers believe the picture is fairly optimistic. But with substantial new capacity coming into operation in Canada and the U. S. over the next year, it raises some question as to whether demand will be strong enough to take the additional available output or whether there will be a surplus.

Market pulp export is up slightly at 1,996,006 tons against 1,963,383 tons for the first 10 months last year. In October, total of all pulp exports amounted to 205,919 tons against 204,581 tons. Export markets are considered firm.

Reflecting, chiefly, good newsprint demand, groundwood pulp output was 511,458 tons in October against 476,813 tons and for the 10 months, 4,743,538 tons (4,509,718). Total chemical output was 420,740 tons against 393,285 tons and 3,932,976 tons (3,689,026).

Bleached kraft (paper grades) output was 678,524 tons in the 10 months (645,322). During October, bleached kraft output totaled 73,992 tons up from September's 63,265 tons and year-earlier production of 67,292 tons.

Unbleached kraft is also up at 614,195 tons (557,299) and on the month at 71,518 tons against 61,903 tons in October, 1955, and 64,327 in the previous month.

Unbleached sulphite output is 1,536,575 tons against 1,438,497 tons and on the month at 165,337 tons against 152,051 tons in the like month last year and 144,832 tons in September.

Dissolving and special alpha pulps, reflecting the demands of the textile business, are down on the month and the year to date. In October, output was at 34,153 tons (33,543 tons) but somewhat higher than the 25,833 tons produced in September this year.

Mexlight Net Rises 32%

Mexican Light & Power Co. net profit for the half year ended June 30, 1956, was 32.1% higher at $2,175,351 ($1,647,275 in comparable period last year).

Net profit for the quarter ended June 30 was 44% higher at $880,989 ($611,993).

Mexlight is doing everything in its power to get a satisfactory resolution of its application for revised rates, says Chairman William Draper, Jr.

Company recently decided to defer payment of further common dividend until later this year (FP, Nov. 3), pending settlement of rate question.

Maple Leaf Milling Has Good Quarter

The results of **Maple Leaf Milling Co.,** Toronto, for the first three months of the current fiscal year show a steady improvement over the comparable period last year. Present indications point toward an improvement for the present year, President C. E. Soward recently told the annual meeting.

However, he warned, it is not safe to predict the year's results on the first three months (ending Oct. 30) as the industry is so susceptible to world-wide conditions.

For the long term future Maple Leaf is optimistic. Domestic sales continue to grow with the expanding population. Although export market is subject to many influences company has many good franchise markets on which it can depend.

IMPERIAL OIL LIMITED

Rights expire Tuesday, December 4, 1956

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PRICES

Apples up this year $1.25 to $1.37 bu. for Quebec McIntosh at Montreal and Ontario McIntosh at Toronto as packing plants approach end of operations one month earlier than last year. B. C. McIntosh averaging 70c-$1.12 more per box at Winnipeg and Vancouver.

Spices have soared as a result of hurricane damage to crops. Nutmeg now $1 lb. f.o.b. Grenada compared with last year's 39c. Mace is $2.10 lb. Jamaica ginger 70c lb. f.o.b. Kingston. Pepper up 5c lb.

Fuel for atomic reactors will be sold at reduced prices to foreign countries by the U. S. Government. Cuts intended to spur world-wide development of nuclear energy for peaceful purposes.

Fuel Oil hike by **Imperial Oil** expected soon in line with recent increase by **Esso Standard Oil Co.** in the U. S. at all East Coast points. Increases ranged from 14c to 26c bbl. for residual heavy fuel oil.

Hogs selling at record high at $32 cwt. for Grade A expected to hold firm price for several more months. Stocks are down with spring crop off 11% according to Ontario's Dept. of Agriculture.

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The new Max Factor Toronto office-factory photo by PANDA

An example of Complete Service

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August: Having worked with architects and consulting engineers in co-operation with the local representatives of Max Factor, Camston's representative arrived in Hollywood with complete architectural, structural, mechanical and plant layout drawings and specifications. Max Factor were satisfied with design and contract signed.

September: Work commenced on site.

January 1956: Building was handed over to owners who expressed wish to duplicate design of the building in other countries where construction is planned.

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DUE 15th JUNE, 1957	**DUE 15th DECEMBER, 1957**
Non-callable to maturity	Non-callable to maturity
Interest payable 15th June	Interest payable 15th June and 15th December
ISSUE PRICE: 99⅛ %	**ISSUE PRICE: 98 %**
Yielding about 4.03 % to maturity	**Yielding about 4.31 % to maturity**

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Subscriptions may be made to Bank of Canada, Ottawa, through any investment dealer eligible to act as a primary distributor or through any bank in Canada. An official prospectus may be obtained from any Agency of the Bank of Canada.

The Minister of Finance reserves the right to accept or reject in whole or in part any subscription for either maturity or both.

The books of the Loan will be open on 29th November, 1956 and will close in either maturity or both with or without notice at the discretion of the Minister of Finance.

OTTAWA, 27TH NOVEMBER, 1956

All Is Not Lost

Events in Egypt have given Col. Nasser a political triumph and obscured the future of the Suez Canal. For these reasons it's regrettable that Britain and France, under American pressure, stopped short of toppling the Nasser regime and securing a firm grip on the canal zone. But it would be premature and a gross exaggeration to say that they have lost all that was valuable to them in their Middle East connections.

Nasser has gained new prestige among the Arab masses but he hasn't necessarily won any new allies among the Arab Governments.

Egypt isn't oil-rich. One of Nasser's aims in projecting a huge North African-Levantine union with himself as boss is to bring Middle East oil under his control. As chairman of the board of Pan-Arabian Oils Ltd., he would cut quite a figure in world affairs.

But the countries that own the oil, or their rulers who dispose of it, don't share Nasser's ideas and dreams. Doing very well on current royalties, they have no desire to let the Egyptian dictator put a finger in the pie. They don't approve of his chummy relationship with Moscow either. They're not Communists and commercially they have good relations with the West European countries that give them their market.

Throughout the Middle East, it can't be denied, there is strong anti-Western feeling among the mobs. It has been reflected in Arab votes in U.N. It was shown in Jordan's recent rejection of British influence and the present eager acceptance by Syria, another oil-poor land like Egypt, of Communist military help.

But Iran and Iraq, both of them rich in oil, remain officially in the pro-Western camp. They belong to the anti-Communist Bagdad pact.

British policy from now on is likely to emphasize friendship with the Iraquis and the Iranians; likewise with Turkey, another Bagdad signer, and with Israel. This team or bloc, if it holds firm, can form a powerful bastion against the Reds. The U.S. could make itself extremely useful by entering the Bagdad alliance which was originally Washington's idea. Britain, of course, belongs.

As for future relations with Nasser, it's hardly likely that Britain and France will attempt cordiality but their expedition into Egypt need not be written off as a total loss.

The club that Nasser held over them wasn't control of the oil supply itself but the power to close Suez. American diplomacy may be able to obtain international management of the canal; or business necessity may force Nasser to allow full freedom of passage. Meanwhile the sea is still open around the Cape of Good Hope.

Keep It Strong

"To strengthen the belief that the purchasing power of the Canadian dollar will not be allowed to wither away should be a prime aim of national economic policy," said J. S. Proctor in his presidential address at the 82nd annual meeting of the Imperial Bank of Canada this week.

"The stronger this belief becomes through continued experience of stable prices," added Mr. Proctor, "the greater is the willingness of individuals to strive to the full extent of their energy and capacity for the enlargement of their personal incomes."

As the head of the Imperial Bank pointed out, Canada has been remarkably fortunate in holding the line on prices in the midst of the country's greatest boom. "In the last six years 1949-1955 the increase in the gross national product, when price increases are eliminated, is just over one third, a remarkable record indeed. Yet the rate of increase in 1956 is still higher. In the first half of the year the physical volume of national output was more than 6% above the first half of 1955. The great expansion since 1949 has not been followed by large price increases. This is of the greatest importance to the welfare of Canadians."

It is indeed.

There is no stronger incentive than the assurance that if one works harder one will be able to enjoy more of this world's blessings. If the bigger pay envelope only buys the same amount of higher priced goods, then one is like the marathon swimmer facing an off shore breeze, he strokes harder but he doesn't get any farther.

The Pattern Was Too Small

Prime Minister St. Laurent's proposal to return unproductive farm land to forest and water conservation use, gets solid backing from Dr. J. K. Galbraith, Harvard University economist (see page 28). Speaking at the Ontario Agricultural College last week Dr. Galbraith stated bluntly that so far as farming was concerned a lot of our marginal land should be abandoned. There was no hope, he said, of a farmer being able to make a decent living on it.

Mr. St. Laurent, addressing a Toronto audience, was equally frank. For a great many of the farmers on this marginal land, he said, "the only thing that has made it possible for them to live is that we, the Government, paid 58 cents a pound for their butter—and now we have butter running out our ears."

Much of farm poverty in Canada today, argued Ontario-raised Galbraith, traces to the original pattern of settlement with its standard 100-acre farm in Eastern Canada and a somewhat larger unit in the West. "In many cases the pattern was wrong from the beginning. The accepted land area would not sustain a decent living in any possible combination with other resources."

Even in good soil areas, Dr. Galbraith makes clear, that standard unit is far too small today to provide the working capital and cash expenditures necessary to maintain good farming and good living. The pioneer farmer who grew all his own food and much of his clothing, who cut his own lumber and made his own implements could get along with very little actual cash. But we are a long way from the pioneer stage in agriculture and other industries now. The trend, as Dr. Galbraith points out, is towards larger and larger farm units, towards fewer people, not more, manning our farms.

All Canada Would Gain

The idea of extending the Prairie Farm Rehabilitation Act to other parts of Canada has been kicked around by governments and farm specialists for a number of years. Now, according to reports from Ottawa, it seems likely that the Government will propose such a measure at the next regular session of Parliament.

This is good news.

The PFRA was established in the mid-thirties to help meet the emergencies created by years of depression and drought. Under PFRA, farmers were moved off sub-marginal land; water resources were conserved; land that should never have been broken in the first place was put back into permanent grass; farm practices that preserve the top-soil were encouraged.

The farm problems that now exist are not confined to the Prairies. Every farming area has its share of farmers working sub-marginal land—farm families who can't make a decent living no matter how hard they work. The plight of these farmers is emphasized by the fact that the non-farming community — and some farmers — are so prosperous.

Sub-marginal farmers tend to be trapped by lack of any means to improve their situation. Once they begin to farm on a subsistence basis, there's nothing left to buy cost-reducing machinery or explore other uses for the land. Simply selling the farm is an alternative that can rarely be adopted, since such a farm would bring in little cash, and leave the farmer with no home and often no means of earning a living.

Under PFRA, such families can be helped either to improve their farm or—where the land is poor or the size uneconomic—to move. The land thus vacated can be returned to another form of production.

If this problem of shifting population from sub-marginal farms is to be tackled on a national basis, it is eminently sensible to make use of the experience built up by the PFRA in its 20 years of operation. Even now, PFRA water resources engineers and other specialists are frequently made available to provincial governments and municipalities to advise on problems of water and land use in parts of Canada that are certainly not prairies. Extending the Act would enable this form of help to be provided on a uniform basis throughout the country.

Cutting Off Their Nose

The testy note that is creeping into some of the communications addressed by the oil-producing countries of the Arab world to Col. Nasser can easily be understood by Canadians if we imagine our own attitude to an ally whose actions had abruptly cut off our market for newsprint, copper or wheat.

The tone of some of the comments from Canada on the farm surplus give-away program of the United States is a case in point. And yet the U.S. wheat policies had nothing like the impact on our economies that Nasser's Canal policy is having on the economy of the Arab nations.

Oil, like wheat, is of no use unless there is someone to consume it. As prairie farmers keep pointing out, wheat in the barn is no substitute for money in the bank. Something of this feeling must underlie the conversations that take place when the Arab leaders get together to talk about oil.

During the last five years, the Middle Eastern oil business has produced direct revenues for the governments in the area of about $3.5 billion. Oil royalties, pipeline tolls and canal fees are all included in this total. Oil revenues accounted for 97% of the government revenue of Kuwait, 71% of the revenues of Saudi Arabia, 54% in Iran, 40% in Iraq. These revenues will now fall to about half their normal level until trade with Western Europe is fully restored. There is no other market for the oil.

It Could Be Normal

The consumer credit bonanza now has Canadians in hock to the tune of about $700 per family, according to Finance Minister Harris. This may be something more than a symptom of inflation. It may be a built-in feature of the full-employment economy, whether that economy is on the brink of inflation or not.

There are two questions a lender asks himself before he makes a personal loan. One question is whether the borrower has an income sufficient to permit repayment of the loan; the other is whether he will have that income next week and the week after and so on until the loan is paid off. Of these two questions, the second is the more important.

In an economy geared to full employment, this second question is more or less automatically answered. Anyone who has demonstrated any ability to hold a job at all can be reasonably sure of having a job in the foreseeable future, barring death (an insurable risk) or sickness and accident (on the whole, a calculable risk). It is this relative certainty of continued income that opens up the possibility of heavy credit buying. The size of the income is of secondary importance, although of course it affects the amount of credit available.

If full employment is a political necessity (and it seems to be) large-scale consumer credit may be something we are going to have to learn to live with, like death and taxes.

Make it Year Round

Squeezed between National Cage Bird Week and overlapping National Prosperity Week, the first seven days of December have been officially designated National Safe Driving Week in Canada and the United States.

It will do no harm and it may do some good to single out a short period like this for emphasis on safer driving. Many will wonder, however, why this particular week was chosen, instead of say, one that combined both our national holiday and that of the United States, when accidents always soar. But if any of the scores of special weeks we are now supposed to celebrate should be extended then this one certainly should.

More than 30,000 people have been killed in traffic accidents in Canada in the last 20 years. And at the present rate as many more will be killed in the next 10 years. That will be almost as many Canadians killed as in either world war. Our only real hope of curbing this needless slaughter, and the enormous economic loss that goes with it, is to make every week a safe driving one.

Napier Moore's

Scratch Pad

DR. GEORGE GALLUP, head of the Institute of Public Opinion, originator of the Gallup Poll, is at his winter home in Hopetown, on the Bahamian island of Abaco. He can look across the bay to a baby island of six acres, named Johnny's Cay.

A month ago, a Gallup poll would have revealed that nobody had ever heard of Johnny's Cay, isolated, uninhabited. Today, an American brewery, aided by its New York advertising agency, has brought it a measure of fame. For it was offered as a prize in a television treasure hunt contest sponsored by the beer company, and was won by a Mrs. Fran Grafe, 31-year-old housewife of Bloomington, N.Y. Offered a choice between it and $10,000 cash, she took the island. On it, as part of the prize, the beer firm will erect a cottage, build a dock and supply a 14-foot motor boat.

A week or two before the conclusion of the contest the publicity boys were on tenterhooks, for it looked as if Johnny's Cay might be washed away by heavy seas caused by Hurricane Greta. It wasn't. Nor were the palm trees uprooted, because there weren't any palm trees there then. The eight palms which now grace the cay were planted by the sponsor just before the handing-over ceremony, to make the place look a little more tropical.

To get to her island, Mrs. Grafe will have to go to Nassau, hire a seaplane to do the ninety miles to Abaco, and then cross the bay in her boat. Which, from New York, will cost about $240 for the return trip. She figures on renting it, having been told by a Nassau real estate agent that she ought to get $2,000 a month for the December to March season. Which may not be as daft as it sounds. Wealthy Americans with the urge to get away from it all are buying remote Bahamian islands at fabulous prices.

• • •

JUST AS IF THERE WEREN'T enough things happening to baffle and bewilder the people of Britain, up bobs a man who says that the hallowed signal Nelson sent to his fleet at Trafalgar—"England expects every man to do his duty" is a myth and couldn't have been made. He is a former Yeoman of Signals, 76-year-old E. G. Walder, who claims to have conducted painstaking research over a long period of years without finding any reference to the signal in the logs of other warships which were in the battle. Moreover, he says that the signal would have needed a dozen separate flag hoists and would have taken more than an hour to send. And he doubts that Nelson, about to engage the enemy, would have wasted all that time.

Horrified, the naval officer in charge of Victory, now a drydocked museum, replied that the signal is mentioned in all narratives of the battle and in the naval records.

• • •

THEN THERE'S Dr. John W. Todd, of Farnham Hospital, Surrey, who announced that the old saw, "Early to bed and early to rise makes a man healthy, wealthy and wise," is poppycock. He goes farther than that. He says there is no medical evidence that eight hours' solid slumber is better for one than broken sleep, so long as you don't worry about insomnia; that there is no proof that fresh air is healthier than the air in a stuffy room; or that irregular meals are bad for most people; that highly seasoned foods are indigestible; that sunshine tones up the body; that summer holidays build up resistance to winter ills. He states, "In so far as the traditional healthy life is better than the traditionally unhealthy life, this is mainly for psychological reasons."

It is my belief that even Dr. Todd won't discourage the English from flinging open windows in weather that chills a Canadian to the bone.

• • •

ANOTHER OF BRITAIN'S PROBLEMS, it seems to me, is Mr. Randolph Churchill. Twenty-odd years ago, the son of the famous Winston spoke at a luncheon club meeting in Toronto. He was then in his early twenties, and most of those who heard him felt that he was an insufferably opinionated young man. Unsuccessful in politics, today, at 45, he is earning his living as a journalist, which is nothing to complain about. He can write well, but unfortunately his deliberately provocative point of view is too often clouded by personal animosities. For instance, his long-standing vendetta against Sir Anthony Eden. His latest outburst, written from Cyprus for the U.S. International News Service, deals with the Anglo-French action in the Suez Canal Zone, an operation he regards as being a colossal failure. He has a right to that opinion, though there are sources close to Downing Street who could challenge his statement that earlier this year neither Eden nor Selwyn Lloyd could be persuaded that Nasser was a deadly enemy of Britain and that the Russian threat to the Middle East was serious. However, the main point is that at a precarious moment in world affairs, in the American press, a man bearing so honored a name should add to the all-too-willing endeavor to discredit his own country's leaders.

Stop Me If —

"What are my chances of getting better?" asked the patient of his doctor. "One hundred per cent," replied the physician. "Medical records show that nine out of every ten die of the disease you have. Yours is the tenth case I've treated; the others all died, so you're bound to get well."

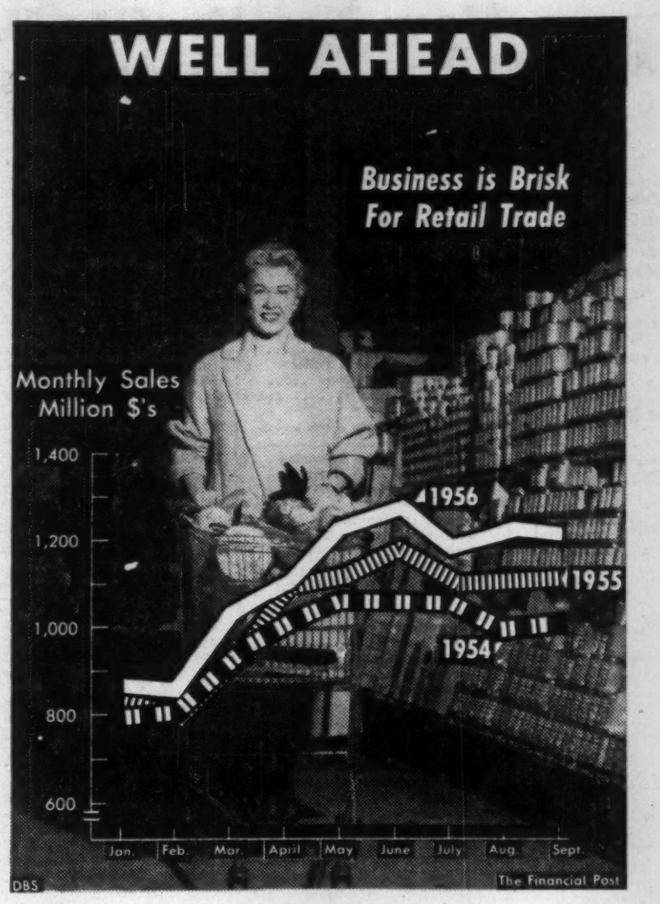
• • •

They were late at the ball game and he was het up. Arriving at the end of the sixth, he asked: "What's the score?"

"Nothing, nothing," was the answer.

"There, now," exclaimed the sweet young thing, "we haven't missed a thing."

WELL AHEAD



Post Scripts

Grain Exchange Chairman

At its recent 69th annual meeting the Winnipeg Grain Exchange elected a new chairman of its board of governors. He is Roger Newell Hickman, vice - president and general manager of Norris Grain Co.

MR. HICKMAN

Hickman, about 30 years in the grain business, has had experience in both the open market and Wheat Board systems of grain trading. From 1944 until appointment to his present position in 1949 he was eastern sales manager for the Canadian Wheat Board.

Born in Duluth, Minn., where his father was in the grain business, he was 12 years old when the family located in Winnipeg and started the Hickman Grain Co. His public and high school education was followed by two years in the University of Minnesota, and then his start in the grain business in a junior position with his father's firm. For a time the member representative of the firm on the Exchange he became an active member of it in 1940.

Norris Grain is a Canadian corporation with a large shipping and exporting business. In addition to being its general manager Hickman is vice-president and director of Three Rivers Grain and Elevator Co., a director of Norris Securities and of Lake Shippers Clearance Association.

The grain trade under present conditions in the busy time of the crop year requires close attention. Even in the less busy time of the year its demands are exacting and what time Hickman gives to recreation is devoted to golf, a game which he likes, but which on his own admission he doesn't play. Usually he takes a few weeks off in milder climates during the winter but passed it up in 1955-56 because for some reason he expected a mild winter. He guessed wrong. The weather was cold and the snowfall the highest ever recorded in Manitoba.

• • •

Booking for 1968

Although its walls are still going up and its grand opening is over a year away, Montreal's new $20 million CNR-Queen Elizabeth Hotel already has booked more than 50 conventions.

MR. MUMFORD

Dates taken up run well into the future. In fact they range as far ahead as 1968. This is good news to Hilton Hotels International, which will manage the Queen Elizabeth, and a challenge to Donald M. Mumford, its first general manager.

Mumford began his business career by getting up early enough to make the coffee at 5.30 every morning at a Tampa hotel. Recently, he was elected vice-president of Hilton of Canada Limited, and appointed general manager of the new hotel. "That means," he points out, "That I get up later now, but I don't seem to get any more sleep."

From coffee boy in Florida to host of what will be the largest and most modern hotel in the British Commonwealth is an impressive step. And Mumford is regarded today as one of the most experienced executives in the field.

He is one of the oldest Statler Hilton employees in point of service and is an authority on the promotion and handling of large-scale conventions, something which will be particularly important at this new hotel. He has also been responsible for the development of standards in all phases of hotel operations.

He left his job as coffee boy in 1928, heading north to New York. There he worked at night as mail clerk in the Pennsylvania Hotel, and by day studied business administration and commercial law at Columbia University.

He was 24 years old when he became manager of the Pennsylvania and by 1942, when he was 35, he had advanced to resident manager. Six years later he was made general manager of the Statler Hotel, in St. Louis, and in 1952 became general manager of the Detroit Statler.

Mumford came to Montreal last May and has been resident representative for Hilton Hotel International since then. He has been actively engaged in development work with the Queen Elizabeth, a 21-story structure which will have over 1,200 rooms and outstanding convention facilities. Opening date: Spring of 1958.

His present office is in the International Aviation Building next to the skeleton of his giant hotel. One of his main jobs at present is assembling the key personnel he will need. Every effort is being made to select them from the Canadian hotel field, he says, and he expects at least 95% of the staff to be Canadian. Most of these, he hopes, will be from Quebec. Staff selected now are sent to the U. S. for a training course.

Born in Chincoteague, Virginia, in 1909, Mumford is married and the father of two daughters, Virginia and Marilyn. When he has time his favorite diversions are golf and boating.

• • •

Specialized Field

In one pound of clover seed, depending upon the variety, there are approximately 500,000 individual seeds, and in poppies and alyssum there would be well over a million. To keep such things pure and separated requires a lot of special know-how. That is why most people associated with the seed business start young and stay with it.

MR. CHIDLEY

Frederick Stewart Chidley, who has just been elected president of the Canadian Seed Trade Association, is no exception. Now 53 he has been with the seed business and with one company in the seed business since he left high school.

Born on a farm in Fenelon Township, Victoria County, Ontario, Stewart Chidley was educated in nearby Lindsay and in 1922 started working in the warehouse of Hogg & Lytle Ltd., Oakwood. It was a natural choice because Hogg & Lytle, now the Seed Department in Toronto Elevators Ltd., is an old Victoria County firm which will be celebrating its 75th anniversary next year. Alsike clover seed was the major line in the earlier days, though later on the firm also specialized in seed peas for the canning trade. For some years it operated a dozen grain elevators in Western Canada. Today's business covers all phases of the field seed industry, and both import and export. Since 1938 Chidley has been a director of Hogg & Lytle in charge of production.

Slim and dark, Chidley is a familiar figure around Oakwood and Little Britain. He was one of the big boosters for the community centre and six-acre playing field at Little Britain. He is an elder of the United Church, a Mason and Oddfellow. In the winter he is an ardent curler and in the summer just as keen on fishing, some of it from the family cottage on near-by Sturgeon Lake. Mrs. Chidley is the former Olive Netherton and there are two grown-up sons, Raymond and Eric.

What Others Are Saying

Editorial of the Week

The Threat to UN.

Edmonton Journal

What makes the power of this (Afro-Asian) bloc in the United Nations particularly dangerous is the goal it professes. The great aim which holds its members together is the overthrow of the British and French empires, and indeed the elimination of Western influence altogether from the Middle East and Africa.

Every rebellion against French or British rule receives aid and encouragement from the members of the group. Every adventurer like Nasser or Mossadegh who threatens vital Western interests is sure of their warm support inside and outside the United Nations.

Though weak in a military sense, these nations, because of their control of vital oil resources and strategic portions of the globe, and the skill of some of their diplomats in UN politics, have become a powerful source of trouble.

The great hope in the minds of the founders of the United Nations was that it would be a bulwark of peace and stability. Instead, the danger is growing that through the activities of irresponsible leaders from backward countries it may become itself a force for disrupting the established order of the world.

Other People's Views

TO LABOR UNIONS as well as planners, the **Victoria Colonist** puts this question: "If labor, the uppermost cost factor in production, is priced in this province at 20% more than the average for Canada as a whole—which in turn is away above that of all other nations except the United States—what inducement can be devised to encourage choice of British Columbia for new operations?"

POLITICAL LIFE should be held up to the young people as an honorable calling, declares the **Hamilton Spectator**, "if disquieting trends are to be corrected in the popular mind and the art and science of government held up, as it should be, as a noble service to which youth might aspire without being subjected to innuendo from the cynical."

WHAT ARE WE GOING TO DO with the time we are saving, asks the **Prince Albert Herald**? "We predict that should even the four-day week come, there will be a lot of men trying to work in two jobs just for something to do in their leisure time."

THERE IS PLENTY of good work to be done for willing hands, points out the **Sault Ste. Marie Star.** "Today, there are many outlets for those who wish to serve, by working for charities, churches or for their community efforts. In all cities there are people who can be helped, the old folk and the kiddies all need a little of your time, and there is a great sense of achievement in helping others."

DAIRYMEN CANNOT ALTER their cattle breeding programs to comply with the day-to-day whims of the food faddists, remarks the **Farmer's Advocate (London)** but, "if the emphasis has definitely and permanently shifted from fat (in milk) then that reality should be recognized in cattle breeding policies and in the method of evaluating milk used for all purposes. It does not seem practical or reasonable to pay for milk solely on the basis of its fat content when within the product there is something more vital and of greater nutritional value."

AMID all this clamor for greater numbers of trained men and women in the engineering and scientific branches, a word of caution must be interjected, warns the **Regina Leader-Post.** "There may be a danger of turning our universities into glorified technical institutions by taking short cuts around courses which lack a direct application to specific pursuits for which the students are being prepared. A well-rounded education must always remain the primary objective of our universities so that graduates will be fitted not only for chosen vocations but for broader responsibilities as educated citizens."

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Subscription — Single copies 20c. Yearly in Canada $6 (two years $11); all other countries $7 (two years $13).

Advertising Rates: Single insertion $8.40 per column inch. Contract rates upon request.

Authorized as second-class mail Post Office, Ottawa.

Indexed by The Canadian Index of The Canadian Library Association, published monthly and cumulatively annually.

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CORPORATION SERVICE. A. C. Bowman, manager.
Special service for investors, $2 per company per year, complete service $32 monthly.
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Published and Printed by
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TORONTO 2: 481 University Avenue, EMpire 3-5961
MONTREAL 2: 1242 Peel St., UNiversity 6-9841.

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OTHER SERVICES: Canadian Press Clipping Service, Commercial Printing Division, National List of Advertisers.

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December 1, 1956

Talking Whirlwind of Kelowna

B. C.'s Social Crediter Bennett Tries to Hide His Plague Spots

By J. B. McGEACHY

"We're orthodox," exclaimed Premier W. A. C. Bennett of British Columbia, speaking to me in Toronto the other day. This was part of his answer to the question: What is the meaning of the name "Social Credit" attached to your party and your government in B. C.? "Funny money? That's all propaganda," Mr. Bennett went on.

"Your own propaganda," I reminded him, for indeed the Crediters began their rise to power in Western Canada with a promise to make everyone wealthy by handing out money for nothing. The late William Aberhart of Alberta, their first chief, printed the funniest money ever seen in this country. Scraps of it, as Mr. Bennett proudly said, are now worth $10 apiece — as curiosities.

But Mr. Bennett bristled at first and said "you're going away back" when the name of Aberhart came up. "Aberhart was one of the prophets of Social Credit," he conceded. His emphasis on "prophet" suggested that Father William, whom I knew, had flourished in the dim past with Isaiah and Ezekiel. Yet later in the conversation the B. C. premier described himself as "an Aberhart Social Crediter."

Efforts to find out what he meant were made difficult by his abnormal fluency. Mr. Bennett is a big, friendly and forthcoming man with a gift of the gab. He can ad lib at high speed for five minutes or more without a pause for breath. After these glider flights he is likely to be two concessions away from the starting point.

It took perseverance to get him to define Social Credit as "using the credit of the community to get things done." This, to be sure, is orthodox; it is what every government does when it wants to build a town hall, highway, pipeline or waterway. But borrowing money, by floating bonds or making an arrangement with the banks, has nothing to do with Social Credit as the phrase was used by its inventor, a Scotch engineer named C. H. Douglas, and by his most politically successful pupil, Bible Bill Aberhart.

Social Credit, à la Douglas and Aberhart, means creating new money without work, without borrowing, without incurring any debt to either banks or bond-buyers. In other words, to put it non-controversially, Social Credit has to do with the supply of spending money in the community.

The Supply of Money

Accepting this neutral statement, Mr. Bennett redefined Social Credit as "getting things done without allowing the money question to stand in the way." But banking and currency are federal matters in Canada. Therefore the provinces don't control the supply of money; Ottawa does. Following modern practice, the Canadian Parliament has given this job to an independent central bank.

Would a Social Credit government at Ottawa destroy the authority of the Bank of Canada to regulate the money supply? "We would do away with these silly restrictions on credit," answered Mr. Bennett.

"But would you abolish the independent power of the central bank?" Mr. Bennett manoeuvred around this question, contending that the Bank of Canada has very little independence anyway. At last he agreed that a Social Credit regime would indeed take monetary controls completely into its own hands; which, of course, would be the indispensable first step to nation-wide Social Credit experiments.

Is there any likelihood of such experiments? Perhaps not in the immediate future; but the danger is close enough to be worth looking at.

Social Credit is now securely in power in B. C. and Alberta. It has established itself as one of the alternatives to the CCF in Saskatchewan. It shows slight but perhaps not negligible signs of life in Manitoba and Ontario. There are rumors of a Conservative-Crediter alliance (dismissed by Mr. Bennett as absurd) if John Diefenbaker is elected to succeed George Drew. It is said that Solon Low, Social Credit national chief, sees himself as leader of the Opposition in the next Canadian House of Commons.

If Mr. Low has a chance of getting as far as that, even if no farther, Social Credit history and policy obviously deserve study. This involves "going away back," as Mr. Bennett said, to Aberhart and Douglas; but that's not going back very far. Aberhart died only 13 years ago. His successor as Alberta Premier, Ernest Manning, was a member of the first Social Credit cabinet formed in 1935. So was Solon Low. The antics of that regime are not ancient but contemporary history.

J. B. McGEACHY

"Mr. Bennett can ad lib at high speed for five minutes or more without a pause for breath. After these glider flights he is likely to be two concessions away from the starting point."

It's true that the Manning regime has a reputation for financial correctness. Alberta, having wiped out its debt, is in a strong financial position. But it would be standing reason on its head to attribute Alberta's good fortune to Social Credit. Oil has made funny money unnecessary by providing the province with an ample supply of the real thing; here is one case where the overworked phrase "irony of history" really applies.

It Was Unconstitutional

But the Social Credit experiment tried in the 1930s by Aberhart, Manning, Low and company was not abandoned because oil began to flow or because these gentlemen saw the light. It was abandoned because it was promptly found unconstitutional and ultra vires of the province, as anyone could see it was without knowing any law at all. In short, Mr. Manning and Mr. Bennett have to be "orthodox": they have no choice. They can't legislate on money.

In power at Ottawa they could legislate on money; and no law they passed on the subject (if the BNA Act is any guide on this question) could be successfully attacked as ultra vires. In times of prosperity and full employment, they might not be tempted to have fun and games with the currency. But what would a Social Credit government at Ottawa do in depressed times, the only times when it would stand a chance of being elected in the first place?

This is a legitimate query; and the answer isn't clear. It's true that the Canadian Social Crediters have disavowed Douglas's antisemitism and his scornful rejection of political democracy, vagaries the Scottish maestro allowed himself in later life when frustration had driven him to fantasy and perhaps despair. But they have never admitted the fatal unsoundness of the Douglas economic analysis. They have never abandoned Douglas's zany formula for distributing "basic dividends." They still proudly flaunt the name of Social Credit which must signify Douglasism if it signifies anything.

"It's all a question of semantics" is a present-day substitute for "it all depends on what you mean." Semantics, the new science of meanings, had to be invented because men discovered that their disagreement and confusion often spring from plain uncertainty about the purport of words. This uncertainty is especially rife in the sphere of politics.

The labels Liberal and Conservative, it's often said, mean little or nothing. Perhaps they don't need any permanent specific meaning so long as they stand for two parties that both accept, as basically sound, the existing political and economic system. Liberals are supposed to be more experimental than Conservatives; but the important differences, which are about method, are defined from time to time as new questions arise.

The case is different with parties which do not accept the present political and social norms as reasonable and permanent. Single Taxers, Prohibitionists, Vegetarians and Communists, alike in wanting a sharp break with established law or custom, need and carry labels that identify their special panacea, gospel, fad or whatever you wish to call it.

They Too Have A Dogma

Social Crediters belong to this category. They too have a secret, a dogma, a sacred text, a book which found the final answer to humanity's problem. In this respect, they're like the Socialists.

Not all Socialists, it's true, are rigid believers just as not all Christians are fundamentalists. Even in Moscow there has been some revision of Marx; and British Socialists like Attlee take their Marxism in moderate doses and abundantly diluted. But every Socialist deserving the name owes something to Das Kapital. Every Socialist believes, more or less, in public ownership, the welfare state and the theory of surplus value.

France offers an exception. In France the word Socialist now means, so far as one can gather, conservative; but this only proves that French politics might be more intelligible if an expert in semantics were called in. Certainly it will be rough on Canadian voters if in this country Social Credit and Conservative ever become synonymous terms.

Of course the Social Crediters, like any other exponents of an esoteric cult, are entitled to re-interpret their scripture as time goes on. They are free to adapt it to changing circumstances as Socialists adapt Marx and poker-players adapt Hoyle. If, however, they have abandoned their original book of words altogether, they are perpetrating a fraud on the public by continuing to use their present name. It is my contention here that they did not desert Douglas except temporarily and for the compulsory reasons of convenience already mentioned.

When Aberhart in the 1930s preached for a call and got it, Alberta was a sadly depressed province. Depending on the sale of farm products whose price had fallen to the lowest level since the reign of Queen Elizabeth the First, the Albertans grasped eagerly at a revolutionary remedy. When Aberhart found that he couldn't use the remedy because the law forbade it, he didn't recant; he merely, as somebody said of Trotsky in his later days, sulked in his tenet.

Alberta is rich today and might not listen to the Aberhart of 1934 if he came back to earth and preached as he did then. But the Douglas plan was not invented as a cure for slumps, any more than the motor car was invented as a relief measure for sick horses.

Putting Marx In The Shade

Douglas wanted an economic and political change even more drastic and quite as permanent as that proposed by Karl Marx. Indeed he regarded Marx as a mere trifler with the economic problem and socialism as an insignificant variant of capitalism.

Douglas believed, and rapturous followers like Ernest Manning fully concurred, that he was an Einstein, a Darwin, a Copernicus of economics. He was in fact as hallucinated as the man who thinks that he has outwitted both the laws of nature and all the mechanics from Archimedes to Henry Ford by producing a perpetual-motion machine. But Douglas never saw the fallacy; and his Canadian followers have not admitted it to this day.

The heart of the Douglas theory was that a conspiracy of financiers (not captains of industry but specifically bankers and especially international bankers) is purposely depriving mankind of the benefits of the technological age. In his later years his antisemitism took the crude form of abusing Jewry as the backbone of this conspiracy. The fact that he blamed the Jews for Communism and Nazism as well is a measure of his mental disturbance.

Earlier, his hostility to the Jews had a much subtler philosophical base. He denounced what he called the Judaic doctrine of rewards and punishments. It was wrong, he said, that abundance should be the reward of exceptional industry or brains and poverty the punishment of idleness.

All modern states, of course, moderate or even nullify the operation of this "Judaic" rule by taxing wealth heavily and dividing up the proceeds as "social security"; but this redistribution has nothing to do with Douglasism. Douglas said that merely splitting up the existing amount of buying power in a new way was a futility.

It was his theory, fortified with an abracadabra of mathematical symbols that spoofed and perplexed but at the same time soothed thousands of minds, that under the present economic system the consumers never have, and never can have, nearly enough money in the aggregate to buy the goods offered to them. How this doctrine has affected Canadian politics will make a story some other time. I have some knowledge of it from having talked with both Aberhart and Douglas and reported the Alberta election of 1935.

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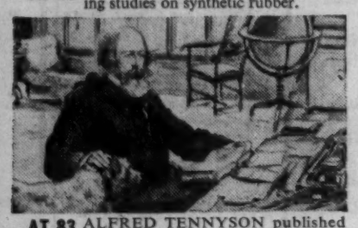

AT 83 ALFRED TENNYSON published one of his most memorable poems, *Crossing the Bar.*

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What will your later years be like? That is a good question to think about, because ever-increasing numbers of us are living to reach "the elderly bracket." Already there are nearly a million and a quarter Canadians aged 65 and older.

If you want your later years to be healthy, happy, active ones . . . and who does not? . . . here are some important things which you should begin to do now:

1. Adopt the right outlook on aging. Do not worry about old age. Worry will not delay it; more likely this will hasten it. Face up squarely to the problems of aging . . . and plan your life so you can meet future challenges.

2. Broaden your horizons as you grow older. "Mental adventure," whether it be in absorbing hobbies or in activities devoted to helping others, will stand you in good stead during your leisure years. "To learn what is new is to remain young."

3. Take stock of your health. Complete medical check-ups annually after you are 35 or 40, can help assure you a healthier life in your later years. It is during this middle period of life that your doctor can do most to help you avoid or lessen the effects of many diseases, including heart and blood vessel disorders. These usually begin after middle age.

Not the least of the benefits which you will get from regular visits to your doctor is medical advice about what you should and should not do as you get along in years.

You may have slipped into some bad health habits unknowingly . . . like over-eating or not eating enough of the protective foods . . . or not getting enough exercise and sleep. These may seem like small matters to you . . . *but good living habits pay off, and you cannot start them too early.*

Look at the older people around you who have mastered the art of growing old gracefully. Find out what they have done to achieve health and happiness in the sunset years. You may learn a lot that will help you.

Indeed, you may live to echo the sentiments of an 80-year-old man who said; "I'm not 80. I'm just 4 times 20!"

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Farmer Brown's Hard Cash Quiets Prairie Blues Singers

The economic sunshine brought to Western Canada by this year's upturn in farm cash income is more sharply outlined than ever:

- Retail trade on the Prairies—in dollar value—is up between 7% and 7.5% from last year for the first nine months.
- Department store sales alone are up about 9% in the first three quarters, a little below the national average. But sharply increased business in the last few weeks has probably put the Prairies ahead of the national pace.
- New car sales—always a key indicator of ready buying power—were up more than 10% in numbers and considerably more in dollar value in the three quarters.

And here is the picture of farm income:

—Farm cash income in the three Prairie Provinces in the first half totaled $554 million, just under half the total for all of Canada. That's up about 33% from first half, 1955, and 25% higher than first half, 1954.

—Gains this year over last: Saskatchewan, 52%; Alberta, 17%; Manitoba, 23%.

—The Canadian index of farm prices of agricultural products—after a long slide down—turned up this year.

Of course there are many factors other than farming which contribute to economic health in the West.

But farming has been the major variable. And the downtrend in cash income—plus the even sharper drop in net farm income—has had a dampening effect on business in the years since the big-money days of the early 1950s.

Another key factor is the improved wheat export picture.

About a year ago, exports lagged badly. Then, early this year, they quickened. This fast pace has been more or less maintained through 1956.

The result: More optimism about the future, a willingness in farm areas to spend money now instead of saving it for a rainy day.

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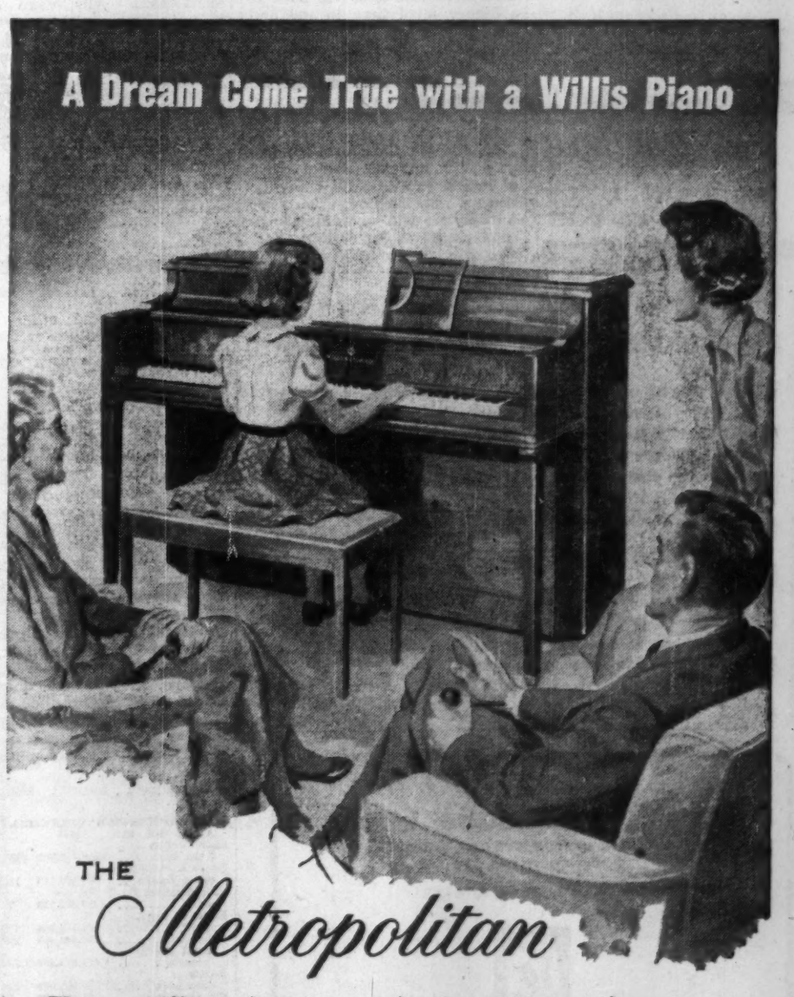

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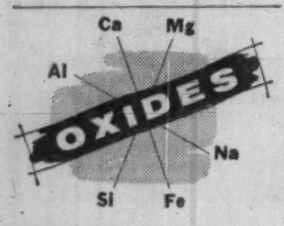

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Shawinigan Power Project At Beaumont On Schedule

MONTREAL (Staff) — **Shawinigan Water & Power Co.** for the nine months ended Sept. 30, reports good progress in construction of the new 246,200-kw Beaumont Generating Station, upstream from La Tuque, Que.

The highlights:

—All construction of plant, including machine shop, carpenter shop, garage, cement storage silos, concrete mixers, conveyors, offices and living quarters, is completed.

—Some 1,100 men are now at work on the project of whom 450 are living at the site.

—Excavation of the by-pass channel is proceeding rapidly and this will be completed and ready for temporary diversion of the river early in the spring.

—Preliminary work on the cofferdams has been started.

The Chaudiere Terminal Station is in operation and the high voltage transmission line linking it to another terminal station near Kingsey Falls is now ready for use. The Kingsey Station will be in operation before the end of the year.

Delivery of the first 60,000 kw power from Bersimis will start in December. This is the initial delivery under the 1953 contract for the purchase of 300,000 kw from the **Quebec Hydro Electric Commission.** All the necessary lines and terminal equipment are completed and some power has already been transmitted from Bersimis to this system on an intermittent basis.

Company operated all generating plants at a high level of capacity without drawing heavily on water storage reserves because of very satisfactory rainfall and runoff during the summer.

As a result, amount of water in the St. Maurice Valley reservoirs at the end of September was 30% greater than the long-term average. During September total peak load company system reached 1,506,000 kw, 122,000 kw above September, 1955.

Company sold $15 million 20-year 4¾% first mortgage bonds in October. Proceeds, together with funds on hand and those which will become available from depreciation and retained earnings, will be sufficient for anticipated capital expenditure until the fall of 1957.

Chemical Earnings

Volume of business of **Shawinigan Chemicals Ltd.** has been at a higher level than in the first nine months of 1955, operating costs have risen to a greater extent owing to higher wage levels and increased prices of materials and supplies. As a result earnings were lower than for the like period of 1955.

Shawinigan Chemicals is under way with an extensive program of capital expenditures which include a new carbide furnace and a sulphuric acid including caustic soda plants at Shawinigan Falls and vinyl acetate plant at Hull, Eng. The carbide furnace and sulphuric acid plant at Shawinigan Falls have now been placed in operation and the construction of the chlorine caustic soda plant has been started.

Company issued $5 million 4¾% sinking fund debentures which were sold privately to finance this program.

Canadian Resins & Chemicals Ltd. for the nine months had a volume of sales at a higher level than in 1955. Earnings were adversely affected because of lower selling prices for its products as a result of competition. A strike at Shawinigan Falls, started on Sept. 23, was settled Nov. 9 and production has been resumed.

B-A - Shawinigan Ltd. has shown improved earnings over the like period of 1955 due to a well sustained demand for phenol and a firmer market for acetone. Business of **St. Maurice Chemicals Ltd.** showed an improvement of the first nine months of last year. **Shawinigan Resins Corp.** experienced some reduction in demand for "Butvar" because of cutback in auto manufacturing industry during the late summer and fall. With the introduction of new models some improvement is expected in demand for this product.

Construction is proceeding according to schedule of this company's new plant at Trenton, Mich., and Springfield, Mass., and those of the vinyl acetate plant of **Hedon Chemicals Ltd.** at Hull, Eng.

Bank of Montreal New Peaks For Loans, Earnings

During its fiscal year ending Oct. 31, 1956, Canada's second largest bank, **Bank of Montreal,** set new records in loans, personal savings and earnings. Loans outstanding at year end on the books of the 139-year-old institution passed the $1 billion mark for the first time. Assets totaled $2,783 million, slightly lower than a year earlier.

Net earnings were $16.8 million, up $1.7 million from 1955. After $7.8 million in taxes ($7 million in 1955) net profit totaled over $8.9 million ($8 million in 1955). Dividend payments came to $7.2 million ($6.5 million).

Earnings per share during the recent fiscal year were $1.99 ($1.79 in 1955). Dividend payments of $1.40 plus a special payment of 20c per share were made. This compares with $1.25 plus 20c in 1955. Shareholders' funds have also been enlarged by the addition of $6.5 million to the bank's rest account, bringing it to $98.5 million.

INCOME ACCOUNT

Years Ended Oct. 31:	1956	1955
Net earnings	$16,770,940	$15,085,146
Less: Prov. for for tax	7,795,000	7,043,000
Net profit	8,975,940	8,042,146
Less: Dividends	7,200,000	6,521,346
Surplus for year	1,775,940	1,520,800
Earnings per Share and Dividend Record:		
Earned	$1.99	$1.79
Paid	1.40+0.20	1.25+0.20

Commercial and other loans stood at $1,180 million at the end of October, 1956, 27.1% higher than a year earlier. Call and short loans rose 30.3% to a new total of $99 million while NHA mortgage loans more than doubled to reach $104 million by year end.

During 1955 there was little change in total deposits. By the end of 1956 fiscal year these totaled $2,589. But over the year there was a substantial increase, $80 million, in personal savings. This was offset by a contraction in commercial deposits reflecting today's rapid turnover of corporate funds.

Montreal's investment portfolio decreased by $298 million, due largely to the substantial increase in loans. At year end, quick assets totaled $1,427 million or 54% of all liabilities to the public (65% a year earlier). Cash assets amounted to 15.1% of public liabilities (16.5%).

Condensed annual statement follows:

CONDENSED STATEMENT

As at Oct. 31:	1956	1955
Cash & due from bks.	$258,175,501	$257,947,212
Notes & cheques on other banks	154,467,140	181,759,604
Call & short loans	98,863,159	*76,514,327
Dom. & prov. secs.*	697,652,544	975,361,319
Other secs.*	218,460,488	239,198,556
Total quick assets	1,427,618,832	1,730,780,998
Loans & discounts	1,179,991,016	928,971,060
Bk. premises	30,216,020	28,680,293
Letters of credit	39,429,820	55,910,373
N.H.A. Mortgages	104,224,823	51,958,704
Other assets	1,956,710	1,872,706
Total assets	2,783,435,226	2,796,174,064
Deposits	2,589,031,509	2,591,326,311
Letters of credit	39,429,820	55,910,373
Other liabs.	11,063,742	9,803,185
Total liabs. to public	2,639,525,071	2,657,039,849
Reserve	98,500,000	92,000,000
Capital	45,000,000	45,000,000
Surplus	410,153	2,134,215

*At not above market value.

Note: The rest account has been increased during the 1955-56 year by the transfer of $3,000,000 from tax-paid reserves and $3,500,000 from surplus.

‡Personal savings deposits. †Other deposits.

DIVIDEND NOTICES

DIVIDEND NOTICE

LEVERAGE FUND OF CANADA LTD.

Dividend No. 28

Notice is hereby given that a dividend of FOUR CENTS per share has been declared on the outstanding Common Shares of the Capital Stock of the Company, payable on 15th December, 1956, to shareholders of record at the close of business on 30th November, 1956.

Holders of Bearer Share Warrants may present Coupon No. 28 for payment to any branch in Canada of The Royal Bank of Canada, on and after 15th December, 1956.

W. LEWIS ALEXANDER,
Secretary-Treasurer.

Montreal, 20th November, 1956.

$1.3 Million Shirriff-Horsey 5½% Preferred Stock Sold

A $1.3 million issue of preferred stock of **Shirriff-Horsey Corp.** has been sold by **Dominion Securities Corp.** The 52,000 5½% cumulative convertible preferred shares, Series A, were offered at their par of $25.

Preferred is convertible into common at $12.50 per common share until Dec. 1, 1959, at $13.50 for the next two years, and at $15 for the following two years. Conversion would be effected on the basis of one preferred share for each two common until 1959; one preferred share and $2 for each two common until 1961; and one preferred share and $5 for each two common until 1963.

Proceeds will be used to repay $626,231 bank loans incurred for the purchase of a half interest in **Green Giant of Canada Ltd.** (FP Nov. 24); $250,000 for redemption at par of 2,500 outstanding 5% non-cumulative redeemable preferred shares, par $100; $340,269 for reduction of bank advances; and balance for costs of financing.

Consolidated net profit for year ended Sept. 30, 1956, totaled $374,523, compared with $357,889 in previous fiscal year. The 1956 period includes operations of wholly owned **Allen-Crawford Ltd.** for nine months only. The 1955 period includes profits of **J. William Horsey Corp.** and subsidiaries for the year ended Sept. 30, and profits of Allen-Crawford's predecessor companies for year ended Dec. 31.

Company intends to maintain quarterly dividends at the rate of 15c per common share which is to be paid Dec. 15 to holders of record Nov. 23. Previously, Shirriff-Horsey had paid three quarterly dividends of 12½c per share this year.

Pro forma balance sheet at Sept. 30, 1956, shows assets of $7,128,725, including current assets of $4,031,521, investments of $831,336, and fixed assets of $1,976,694. Current liabilities totaled $2,150,972.

Funded debt outstanding included $600,000 5% serial debentures due 1956-65, $1.4 million 5% s.f. debentures due 1975, and $93,335 6½% debenture — **Industrial Development Corp.,** Jamaica, payable by 1969.

Equity capital consisted of $1.3 million 5½% cumulative convertible preferred shares, Series A, par $25, and 310,000 n.p.v. common shares with book value of $552,500. Retained earnings amounted to $1,084,626.

Taylor Group Joins Board Of How. Smith

MONTREAL (Staff)—A special meeting of shareholders **Howard Smith Paper Mills Ltd.,** has approved a bylaw to increase the number of directors from 14 to 18. This will provide representation sought by **Dominion Tar and Chemical Co.** which holds a substantial number of Howard Smith shares.

E. P. Taylor, M. W. McCutcheon, J. A. McDougald, all of Toronto, and Colin W. Webster of Montreal were elected directors to fill the new posts.

Directors declared regular quarter dividend of 25c per share on common, plus an extra 50c and also regular 50c preferred, all payable Jan. 31, to record Dec. 31.

ANNOUNCEMENT

ROYAL TRUST APPOINTMENT

RICHARD C. WEBSTER

The appointment of Richard C. Webster to the Advisory Board of The Royal Trust Company's Quebec City Branch is announced. A prominent Quebec and Montreal businessman, Mr. Webster is Vice-President of Canadian Import Company.

AUSTRIAN PAPER

As with Canada, Austria's largest export to the U. S. is paper and paper products, mostly newsprint.

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For details — Mr. A. Worthylake

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THE INTERNATIONAL NICKEL COMPANY OF CANADA, LIMITED

7% Preferred Stock, $100 and $5 Par Values

Notice of Redemption

Notice Is Hereby Given that, pursuant to the provisions of its Charter, empowering the Board of Directors to call the Preferred Stock for redemption, The International Nickel Company of Canada, Limited has by action of the Board of Directors exercised its option to redeem and hereby calls for redemption on February 1, 1957 all of its outstanding 7% Preferred Stock, $100 and $5 par values, at the redemption price of the par value thereof plus an amount equal to accrued dividends thereon from November 1, 1956 to February 1, 1957 and a premium of 20% of such par value (all calculated in U.S. dollars). The redemption price is thus $121.75 (U.S.) per $100 par value share and $6.0875 (U.S.) per $5 par value share.

Notwithstanding that any certificate for shares of such Preferred Stock shall not have been surrendered for cancellation, such shares shall be redeemed as of February 1, 1957 and all rights with respect to such shares shall forthwith upon February 1, 1957 cease and terminate except only the right of the holder to receive the payment on account of such redemption as hereinafter provided, but without interest.

Holders of such Preferred Stock may surrender their certificates, accompanied by a letter of transmittal in the form supplied by the Company, for cancellation and redemption at any time on or after January 16, 1957 and until July 31, 1957, at any of the following offices of the following Redemption Agents:

The Toronto General Trusts Corporation
Stock Transfer Department
253 Bay Street
Toronto 1, Ont.

The Royal Trust Company
Stock Transfer Department
400 Craig Street, W.
Montreal 1, P.Q.

Bankers Trust Company
46 Wall Street
New York 15, N.Y., U.S.A.

Morgan Grenfell & Co. Limited
23, Great Winchester Street
London, E. C. 2, England

Upon such surrender, payment of the redemption price (less any tax deductions) will be made as requested in the letter of transmittal, if accompanied by the supporting documents and transfer tax payments (if any) required as specified in the instructions in the form of such letter of transmittal. On and after August 1, 1957, certificates may be surrendered against receipt of the redemption price only at The Toronto General Trusts Corporation at its address specified above.

Pursuant to the Income Tax Act of Canada, the Redemption Agents will withhold an amount equal to 15% of that portion of the redemption price equal to accrued dividends to the redemption date (which portion is $1.75 (U.S.) per $100 par value share and 8¾¢ (U.S.) per $5 par value share) with respect to shares the holders of which according to the registry books maintained by the Transfer Agents do not appear to be residents of Canada.

The International Nickel Company of Canada, Limited

WILLIAM F. KENNEDY,
Secretary

November 23, 1956

SHIRRIFF HORSEY

New Issue

$1,300,000

(52,000 shares)

Shirriff-Horsey Corporation Ltd.

(Incorporated under the laws of Canada)

5½% Cumulative Convertible Preferred Shares, Series A

(par value $25 per share)

Conversion Privilege

The holders of Preferred Shares Series A shall be entitled to convert Preferred Shares Series A into fully paid and non-assessable common shares of the Company at any time up to and including December 1, 1963 (unless such Preferred Shares Series A are previously redeemed) at the following respective conversion prices:

(i) $12.50 per common share if converted on or before December 1, 1959; to be effected on the basis of 1 Preferred Share Series A for each 2 common shares;

(ii) $13.50 per common share if converted after December 1, 1959 and on or before December 1, 1961; to be effected on the basis of 1 Preferred Share Series A and $2 in lawful money of Canada for each 2 common shares; and

(iii) $15.00 per common share if converted after December 1, 1961 and on or before December 1, 1963; to be effected on the basis of 1 Preferred Share Series A and $5 in lawful money of Canada for each 2 common shares.

The holders of any Preferred Shares Series A called for redemption shall be entitled to convert such shares as set out above up to the close of business on the business day immediately preceding the date fixed for such redemption, but not thereafter. The provisions relating to the Preferred Shares Series A will provide for appropriate adjustments in the conversion privilege in certain events.

A full statement of the provisions relating to the Preferred Shares Series A is set out in the Statutory Information of the Prospectus.

A copy of the offering Prospectus which has been filed with the Secretary of State of Canada in accordance with the provisions of the Companies Act of Canada will be promptly furnished upon request.

Transfer Agent and Registrar: Crown Trust Company, Toronto, Montreal, Winnipeg and Vancouver

In the opinion of our Counsel, the Preferred Shares Series A will be investments in which the Canadian and British Insurance Companies Act, Part III, states that a company registered under it may invest its funds or any portion thereof.

Price: $25.00 per share

The listing of the Preferred Shares Series A on The Toronto Stock Exchange and Montreal Stock Exchange has been approved subject to the filing of documents and evidence of satisfactory distribution.

We, as principals, offer these Preferred Shares Series A subject to prior sale and change in price if, as and when issued by Shirriff-Horsey Corporation Ltd. and accepted by us, subject to the approval of all legal matters on our behalf by Messrs. Lash, Lash & Pringle, Toronto. All legal matters on behalf of the Company will be subject to the approval of Messrs. Arnoldi, Parry & Campbell, Toronto. Subscriptions will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books without notice. It is expected that interim share certificates, later exchangeable without charge for definitive share certificates, will be available for delivery in Toronto, Montreal, Winnipeg and Vancouver on or about December 4, 1956.

Dominion Securities Corpn. Limited

Burns Bros. & Denton Limited

Royal Securities Corporation Limited

Midland Securities Corpn. Limited

Ross, Knowles & Co. Ltd.

November 1956

Approximate Quotes
SUPERVISED FUNDS

		BID	ASKED
Supervised	Income Fund	$ 4.05	$ 4.09
"	Growth Fund	1.88	1.90
"	American Fund	5.97	5.98
(1955)	Executive Fund	33.98	
(1956)	Executive Fund	27.88	29.16

Further information from:
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Canadian Pacific

Seaway Trade

Opportunities in Preview

Part I: Portugal

"The Portuguese editor kept repeating that he expected expanding trade relations with Canada, never mentioning the U. S."

Dr. N. R. Danelian, president of the Great Lakes-St. Lawrence Association, Washington, D.C., has been touring Europe to survey the Continent's Seaway plans. This report to the Financial Post is the first of a series.

By N. R. DANELIAN

LISBON—Ever since Vasco da Gama zigzagged his way around the globe early in the 16th century, the Portuguese have been an intrepid sea-faring nation.

Today, with only eight million people, they boast possession of a large overseas empire, spread from the Atlantic islands of the Azores to Portuguese West Africa and Mozambique, and island possessions in the Indian Ocean.

Instead of calling them colonies, the euphemism today is to call them "provinces."

Lisbon, the capital of a million people on the Tagus River estuary, just a few miles in from the Atlantic, is one of the busiest ports in Europe.

In 1954, the latest full year for which statistics are available, 5,000 ship entries were noted, with net cargo tonnage of 8.5 million tons.

Diniz Bordallo-Pinheiro, editor of the influential Jornal do Comercio, a journal of business and public affairs, an urbane gentleman sporting a monocle, hopes Lisbon's future will be ever more expansive.

"Lisbon should become the main transshipment port in Europe," he said, "if it becomes a free port. Then our trade with Canada should expand."

To make Lisbon a free port without hampering tariff walls is one of Sr. Pinheiro's ambitions and first in the platform of his publication.

"How does the Government take to the suggestion?" he was asked.

"Quite sympathetically," he replied.

Portugal is the only dictatorship in the world with an economist, of all people, at the helm. Prime Minister Zalazar, an erstwhile professor of economics, has been the iron man since 1928.

Portugal is the only South European and Mediterranean country where even without Marshall Plan, or other U. S. help, there are obvious and concrete signs of economic progress. It is not hard to believe that Lisbon may someday become a free port as Sr. Pinheiro hopes.

The editor of the Jornal do Comercio kept repeating that he expected expanding trade relations with Canada, never mentioning the U. S., even though his assistant, Sr. Raúl Rêgo, had recently returned from a three-week tour of the U. S.

The reason is twofold. Portugal belongs to the "Sterling Bloc" which promotes trade in the British Commonwealth countries, and Canada is making a special effort to cultivate Portuguese trade.

A large special issue of the Jornal do Comercio appeared Sept. 29 wholly devoted to Canada, including a story on the St. Lawrence Project from the Canadian point of view.

Ellis M. Goodwin, the efficient career diplomat and commercial attaché of the U. S. Embassy in Lisbon, could not remember any publicity in the Portuguese press about the developments in the Great Lakes-St. Lawrence Valley.

It is fair to say that there is more interest and knowledge about the Great Lakes and the St. Lawrence Seaway among shipping people than among the general public or the business and industrial community.

Officials of **American Export Lines,** which serves Portugal and Mediterranean ports from U. S. North Atlantic coast, are keenly conscious and watchful.

Their Lisbon agent, Vasco Puito Barto, even now represents one of the lines, the **Montship Cap Lines** (Italian) which goes into the Lakes with the small 250-ft., 14-ft. draft ships. But he handles only one sailing a month into the Lakes. Another line, the French **Fabre Line,** has another sailing a month —an average of two sailings a month.

"When the time comes, and the Seaway is open," Mr. Barto said, "we hope to have more ships in direct service. But the problem is to develop tonnages."

He claims that the importer in Portugal is interested in delivered price. Therefore, it is up to the exporter to explore the cheapest way of shipping the goods.

It is a fact, however, that many manufacturers prefer to sell fob factory, letting export agents handle transportation.

It is obvious, therefore, that the fate of Great Lakes ports may be determined by export-import agents in New York and foreign ports such as Lisbon.

Vasco Puito Barto belongs to a unique Portuguese clan. In business since 1771, various members of his family are engaged in tile manufacturing, the oil and coal business, engineering, insurance, brokerage of everything from tractors to destroyers, and he himself represents American Export Lines, **States Marines** (U. S.), **Kerr Lines** (U. S. Gulf coast), **Italian Line, Rajal Mail, American President Lines, Agence Maritime Internationalle,** and a host of minor shipping interests.

Educated in military school and 36 years in business, he is the typically energetic Portuguese businessman, eager to capitalize on any new opportunities. But he, like so many others, is waiting watchfully.

Last year Portugal imported large amounts of coal, cars, machinery, grain from coastal ports. Maybe some day with an aggressive program these will come directly from Lakes ports.

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Hints Patent Evidence 'One-Sided'

There is a danger that the Royal Commission now studying the Canadian patent system may be working with one-sided evidence. This was charged recently by Alan Swabey, Montreal, president of the Patent Institute of Canada.

In a series of talks on Canadian patent practice he told U. S. attorneys that parasitic enterprises wanting to make free use of other people's inventions had tried to devaluate the patent right.

"These interests object to the patent system because it forces substantial investment to manufacture in Canada rather than letting them make a quick dollar by importing," he said.

Swabey points out that more than 60% of the patents issued in Canada are owned by U. S. companies. With so many patent owners absent from Canada, the status of the patent right in this country is endangered. Failure by U. S. interests to give evidence before the present Royal Commission was probably due to reluctance to interfere in Canadian affairs. "But there is nobody to speak for them and it is a pity that the majority group should not be heard more forcibly," he said.

Swabey suggests that U. S. companies give their Canadian subsidiaries more power to take action in patent matters so as to ensure that they have a domestic voice concerning these important assets, which could be endangered by ill-advised government action.

At the recent Ilsley Royal Commission hearings, only a "relative handful" of Canadian patentees had been directly represented.

He warned that patents do not rate very high priority in government thinking and their value and welfare are lost among other government-sponsored projects. Some 20,000 patent applications are being filed each year and in consequence the Patent Office is being moved to temporary buildings on the outskirt of Ottawa. Several groups have urged facilities "more in keeping with Canada's industrial rank," he said.

Business Ponders Holidays: To Close Or Not to Close?

Christmas and New Year cheer will be staggered this year — and that's no pun.

Here's the problem:

Christmas Day falls on Tuesday. What should business do? Give employees Monday off but not Wednesday, boxing day? Both Monday and Wednesday?

What about Saturday before Christmas? Should companies not normally open do business for all or part of the day, particularly if their doors won't be open again until the following Thursday?

A similar situation occurs at New Year's.

Apparently no one has the answer. The result: A great variety of intentions. Offices and plants will be closed for five consecutive days, or four, or three. Some will be closed for two days (Saturday and Sunday), open for one (Monday), then closed for either one or two.

And when you get into other possibilities like working part-days on Saturday, Monday and Wednesday, the combinations defy tabulation.

The great variety of Yule and New Year's closing intentions showed up in results of a survey by the Toronto Board of Trade.

Among 696 firms, including 285 manufacturing companies:

- 372 will be closed all day Monday, Dec. 24.
- 138 will be closed a half day.
- 95 will not close at all on Monday.
- 59 will operate on skeleton staff that day.
- 24 will operate on half-staff.
- 61 will be closed from one to three hours — less than half a day.
- 85 will be closed all day Wednesday, Dec. 26.

At New Year:

—226 will be closed all day Monday, Dec. 31.
—82 will be closed a half-day.
—248 will be open all day.
—56 on skeleton staff.
—27 on half-staff.
—69 closed from one to three hours.
—Five closed Wednesday, Jan. 2.

More than 20 firms will operate on Saturdays not ordinarily worked to compensate for extra holidays at Christmas and New Year's.

More Pork Now But Less Later

Hog marketings in Canada are increasing, packers report, with October weekly average up nearly 15% from September and total volume for year to date up about 7% over same period in 1955. But no big break in recent firmer pork prices is foreseen.

Until just recently, it is pointed out, all gains in marketings over a year ago took place very early in the season and were largely absorbed by increased consumption. As a result, storage stocks, which had been considered quite heavy, were liquidated during the summer months thus clearing the decks for the 1956-57 marketing season.

Looking farther ahead, the outlook is for less pork as foundation stocks, which will produce next year's commercial hogs, are said to be down from 10% to 15%.

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D. Sterling Silver letter opener for the Executive's Desk or his home $12.
E. "Viking" — an intricately sculptured design in one of the finest Georg Jensen Traditional patterns. Tie-Clip $6.50. Cufflinks $8.75 pr.

GEORG JENSEN

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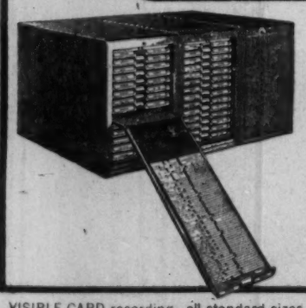
RONEO



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To Canadian Shareholders of
Husky Oil and Refining Ltd. . . .
an offer has been made by
CANADIAN HUSKY OIL LTD.

to exchange its Common and 6% Preferred Shares for all the outstanding Common and 6% Preferred Shares of Husky Oil and Refining Ltd., on a share-for-share basis. The offer is open for four months and expires December 3, 1956.

Holders of Warrants to purchase the Common Shares of Husky Oil and Refining Ltd., who exercise their Warrants during the period of the exchange offer, will also be able to participate in the exchange.

Through the exchange offer, Canadian Husky proposes to acquire all the Common and Preference Shares of Husky Refining not now held by Canadian Husky. The exchange will, however, become effective if, as a result of the exchange offer, Canadian Husky will hold at least 90% of the shares of each such class, and Canadian Husky reserves the right to declare the exchange effective if less than 90%, but more than 80%, of such shares are to be sold.

We believe acceptance of this "exchange offer" to be in the best interests of Canadian Shareholders of Husky Oil and Refining Ltd. and recommend such exchange be carried out through any of our offices from coast to coast. Write, wire or telephone for complete information.

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CONDENSED GENERAL STATEMENT
October 31st, 1956

ASSETS

Cash on hand and due from banks and bankers	$ 258,175,501
Cheques and other items in transit, net	154,467,140
Government of Canada and Provincial Government Securities, not exceeding market value	697,652,544
Other securities, not exceeding market value	218,460,488
Call Loans	98,863,159
	$1,427,618,832
Commercial and other loans	1,179,991,016
Mortgages and hypothecs insured under the National Housing Act, 1954	104,224,828
Bank Premises	30,214,020
Customers' liability under acceptances, guarantees and letters of credit, as per contra	39,429,820
Other Assets	1,956,710
	$2,783,435,226

LIABILITIES

Deposits		$2,589,031,509
Acceptances, guarantees and letters of credit		39,429,820
Other Liabilities		11,063,742
Capital authorized—7,500,000 shares of $10 each	$75,000,000	
Capital paid-up	$45,000,000	
Rest Account	98,500,000	
Undivided Profits	410,155	143,910,155
		$2,783,435,226

STATEMENT OF UNDIVIDED PROFITS

Earnings for the year ended October 31st, 1956, after making transfers to contingency reserves, out of which full provision for diminution in the value of investments and loans has been made and after provision for depreciation of bank premises	$ 16,770,940
Provision for Income Taxes	7,795,000
Leaving Net Profits of	$ 8,975,940
Of this amount shareholders received or will receive by way of dividends	7,200,000
Net additions for the year	$ 1,775,940
Undivided Profits at October 31st, 1955	2,134,215
Transferred from tax-paid reserves	3,000,000
	$ 6,910,155
Transferred to Rest Account	6,500,000
Undivided Profits at October 31st, 1956	$ 410,155

GORDON R. BALL, *President*
ARTHUR C. JENSEN, *General Manager*

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SOL EISEN

Who since becoming associated in Toronto with the Canada Life Assurance Company in 1936 has been specializing in Deferred Executive Compensation Plans, Business Insurance and Employer-Employee Benefit and Pension Plans. Mr. Eisen is the author of booklet on "Pension Planning" first published in 1950.

Ind. Acceptance New Preferred Stock Issue

MONTREAL (Staff) — At a special general meeting to be held December 4, shareholders of **Industrial Acceptance Corp.** will be asked to approve a new class of preferred stock comprising $5 million (100,000 shares) in 5½% cumulative redeemable preferred shares. The new shares will rank equally with the two classes of 4½% preferred stock now outstanding.

Company proposes to offer the new preferred stock publicly though time of offering is not yet announced.

Creation of the new stock was necessitated by a marked increase in the level of the company's receivables and in order to permit the company to handle the higher level of outstandings, President G. E. Wemp reported in a letter to shareholders.

As at June 30, company's notes and accounts receivable were $419,698,792 compared with $291,051,752 a year earlier.

Since January 1 of this year, the company has sold $5 million in 4½% cum. redeemable preferred shares ($50 par); $5 million in 5¼% sinking fund bonds due 1975; $12.5 million in 4½% secured notes, series Q due 1971 and $5 million in 4¼% secured notes, series R due 1963.

Ottawa Talking To U. S. In Premium Iron Tax Case

OTTAWA (Staff) — The Canadian Government has sent a note to the U.S. Government about the tax case involving **Consolidated Premium Iron Ores.**

The note does not give any Canadian view about the legal or factual arguments to be settled by the U.S. Tax Court. It merely rebuts the idea that the Canadian Government is supporting the U.S. Internal Revenue authorities in their attempt to claim taxes from Premium.

Consolidated Premium Iron Ores is a Canadian company which acts as sales and testing agent for **Steep Rock Iron Mines.** The U.S. Bureau of Internal Revenue is trying to collect back taxes for it in respect of transactions which took place in 1943.

The company claims that it is not liable to U.S. tax; and a number of influential Canadians have claimed that if the Tax Court upholds the U.S. Internal Revenue claim, there would be serious tax implications for all companies establishing subsidiaries across the Canada-U.S. border. (FP, Nov. 17, etc.).

Pressing appeals made to the Canadian Government by Premium itself, by the Canadian Metal Mining Association and others, led to the despatch of the note to Washington.

The government was urged to do something to help Premium before Dec. 1, when the record closes before the U.S. Tax Court at Washington.

Interested Ministers

Various interested ministers went into huddles last week. The note was supported by Mr. St. Laurent and agreed by the cabinet. It has been sent to the Canadian Embassy in Washington for delivery to the State Department.

The text is not being published, but the FP is informed that the Canadian Government says nothing about the legal arguments before the U.S. Court. But it firmly kills any idea that it supports the claims of the U.S. Bureau of Internal Revenue.

When Canadian authorities helped U.S. agents to unearth evidence from Canadian records, the note points out, they did only what they were bound to do under Article 19 of the Canada-U.S. Tax Treaty.

That clause of the treaty says that each country will furnish to the other "the information which its competent authorities have at their disposal or are in a position to obtain under its revenue laws in so far as such information may be of use to the authorities of the other country . . .".

By this clause, Canada was obligated to get all the books and records of the relevant companies opened to the U.S. investigators. But there was no implication that Canadian authorities were thereby associating themselves with the U.S. tax claimants.

The impression had been created in Washington — as some Canadian ministers understand — that the Canadian Government was "co-operating" with the U.S. Internal Revenue Bureau.

It arose from an ambiguous phrase in the evidence presented to the Court, which spoke of evidence being collected "with the co-operation of the Canadian Government."

The Canadian note to Washington now declares that any help given to the U.S. investigators must not be construed as meaning that Canada supports the case against Premium.

U.S. Must Decide

Any immediate use which may be made of this official Canadian statement is, presumably, for the U.S. Government to decide. The State Department would normally pass it on to the Treasury.

But it is not known whether the Treasury will decide to file it with the Tax Court.

The more remote, secondary value of the Canadian intervention at this point, it is thought, may be to make it easier for Canada to start an argument with the U.S. Government if the Tax Court's decision should go against Premium.

The view of administrative officials here has been all along that it would be improper for the Canadian Government to intervene in the U.S. legal argument before the Tax Court reached a decision.

The government has not tried to start the "consultations" between Canadian and U.S. tax authorities which the treaty provides for in Article 16; though that is what Consolidated Premium Iron Ores would have liked it to do.

The terms of Article 16 don't specifically make it clear whether consultations should take place before or after the decision in a Court case. But the formula is that the tax authorities may consult "where the action of one state has resulted in double taxation" in order to "determine whether the double taxation in question may be avoided in accordance with the terms of this Convention."

In the present case double taxation of a Canadian company won't result unless the U.S. Court finds against Premium. But if the verdict goes against the Canadian company, the authorities are a little vague about what redress might be possible. There has never been a case where one of the two tax jurisdictions had a court order to support it.

If the shoe were on the other foot, and Canada were trying to tax a U.S. corporation, there is no doubt that the government would still have the power of remission — however many court orders had been made in support of its claim.

It is not so clear here what the position of the U.S. Administration would be in the reverse case.

But some Canadian officials have not accepted the thesis that the Premium case must necessarily have "far-reaching implications for all companies operating subsidiaries on the other side of the border."

They prefer to wait and see whether the U.S. Court does uphold the U.S. tax claims; and, particularly, the grounds on which it does so.

If, after examining the evidence and the reasons for judgment of the U.S. Court, Ottawa finds that its understanding of the Tax Convention has been violated, then undoubtedly steps will be taken with the U.S. Government to try to restore it, The Post is told.

Further legal appeal — right up to the U.S. Supreme Court, if necessary — would be one recourse. An alternative would be to persuade the U.S. to reword the Tax Treaty so that the original understanding of its meaning could be restored.

But none of these courses need be considered until the U.S. Court has rendered its decision and its reasons. And there is still a lively hope here that it will not interpret the Treaty in a way which Canada would object to.

Arrange First Public Financing Of Spartan Air Services Ltd.

The first public issue of **Spartan Air Services Ltd.**, Ottawa, was expected to be offered late this week. Founded in 1946, Spartan has become one of the world's largest aerial survey companies.

Offering consisted of 30,000 n.p.v. shares, and $1.5 million 6% sinking fund debentures, Series A, to mature Dec. 1, 1966. It was expected that stock would be offered at $9.25 a share, and debentures at par.

Each $500 principal amount of debentures bears warrants entitling holders to buy 50 common shares at $10 from Dec. 1, 1957, until 1962, $12 for the next two years, and $14 for the following two years.

A sinking fund will retire $150,000 of debentures Dec. 1 each year, 1957 to 1965.

Proceeds of the issue will be used to expand electronic and geophysical facilities and to add to company's fleet of 22 fixed wing aircraft and 20 helicopters.

After giving effect to the new financing, capitalization will consist of $584,320 6% Industrial Development Bank loan, $1.5 million 6% s.f. debentures, 1,350 Class A 6% cumulative redeemable preferred shares, par $100, and 221,490 n.p.v. common shares.

Net income in 1955 totaled $329,031, compared with $112,281 in 1954. For the first nine months of 1956, net income was $293,497.

Spartan, in conjunction with **Aerophysics of Canada Ltd.** and **Canadian Aero Service Ltd.**, specializes in airborne photographic and geophysical surveys.

Spartan's co-founders, President John A. Roberts and Vice-President Russell L. Hall, served with RCAF reconnaissance squadrons during World War II. Company has 340 full-time employees, including 25 fixed-wing aircraft engineers, 16 helicopter engineers, and 10 aircraft radio technicians.

Spartan claims to have pioneered high-altitude photography used in the Government's major mapping program of Canada. Aerial photography has been carried out throughout Canada, and in the U.S., British Guiana, British Honduras, Colombia, Liberia and other parts of the world.

Spartan has also been a leader in the use of helicopter-borne electromagnetometers for geophysical surveys. Geophysical work has been done in Canada, the U.K., the U.S., India, the Philippines and elsewhere.

Aerophysics of Canada, which is to become a wholly owned subsidiary of Spartan, carries out electromagnetic surveys.

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GRAPHIC

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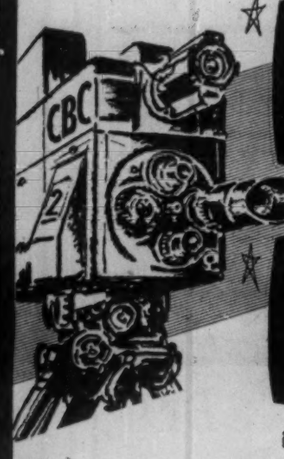

HENRY BIRKS from his home in Montreal

PHYLLIS MARSHALL from the set of "CROSS-CANADA HIT PARADE"

in conversation with **Joe McCulley**

FRIDAY NOV. 30
(later on delay stations)

CBC TELEVISION NETWORK

Advertisement

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HON. J. R. PICHETTE, Minister
JOHN A. PATERSON, Deputy Minister

Poor Markets Slow Pipeline Financing Job

Trans-Canada Pipe Lines officials meet the Board of Transport Commissioners Nov. 30 to report on current status of the pipeline financing program.

It is expected that the Government will be asked for a further 30-day extension of time in which to complete financing arrangements.

Although steady progress has been made in privately placing the $144 million first mortgage bonds, general marketing conditions couldn't have been "tougher" than during last few weeks.

Trans-Canada has now filed a registration statement with the Securities & Exchange Commission in Washington covering a maximum of $120 million in Canadian funds. Financing will be in the form of units in the ratio of $100 principal amount of subordinated debentures due 1986 and $50 (represented by five shares) of common shares of $1 par value. The majority of the units will be offered in Canada.

Nesbitt, Thompson & Co., Wood, Gundy & Co., McLeod, Young & Weir & Co., and **Osler, Hammond & Nanton** will manage a nationwide group of underwriters which will make the offering in Canada. **Lehman Bros., Stone & Webster Securities, White, Weld & Co.** will manage the offering in U.S. T. H. Atkinson, Montreal, a Trans-Canada director, is chairman of the pipeline company's finance committee.

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LABOR ROUNDUP By JACK McARTHUR

Union Battlers Invade Bancroft

Ruling May Hinder Steel Union Uranium Drive

The fight for control of Canada's uranium labor is spreading (FP, Nov. 10 & 24).

Newest battle theatre: Ontario's Bancroft field where the union opponents from huge Blind River —United Steelworkers and pinko Mine-Mill — are squaring off again.

Immediately involved at Bancroft are the two mines which have completed senior financing, have miners at work. These are **Faraday** and **Bicroft.**

The union which wins certification at this pair will have the inside track at other Bancroft uraniums having premium price contracts with **Eldorado Mining & Refining.** These include **Cavendish, Dyno** and **Greyhawk.**

The five Bancroft companies together have contracts worth about $142 million. All contracts awarded at Blind River amount to more than $1,000 million. The companies involved so far in the union hassle at Blind River are **Pronto, Algom** and **Consolidated Denison.**

Steelworkers is applying for certification at both Bicroft and Faraday. Mine-Mill is intervening in both cases. It's possible they will be heard Dec. 12-13 by Canada Labor Relations Board.

In both these mines and at Consolidated Denison—where there is to be a vote on a Mine-Mill application for certification — Steelworkers' organizing technique seems to be in question.

At the same time that the steel union recently won over M-M at Pronto and Algom, the Labor Relations Board threw out its application at Denison.

Steelworkers had followed its usual practice at the latter of signing up workers and exacting a $1 fee. This has been acceptable to the Ontario Labor Relations Board and, says the union, to the Canadian board in the past.

But M-M argued that the $1 payment did not constitute proper evidence of membership under the law. The Board concurred. (Such argument apparently hadn't been presented previously, therefore hadn't been ruled upon.) Thus Steelworkers had no chance of getting on a certification ballot. The result, unless a request for a review of evidence proves otherwise, is to be a vote for or against M-M.

Steelworkers thinks its support at Denison is sufficient to defeat the Communist-line union. Then it can try again.

Steelworkers' sign-up at Bicroft and Faraday has also been based on the $1 fee.

The union says it isn't unwilling to alter its organizing methods. But it wants a clear-cut affirmation by the Board that the $1-plus-signature is not valid. If it is valid in some circumstances, steel union wants to know the details.

If one of the two opposing unions should win the whip hand in both the Blind River and Bancroft areas, it will dominate the nation's uranium labor. It will also be in the driver's seat for organizing in new and expanding Canadian mining areas.

• • •

Blind River Is "No-Man's-Land"

An important sidelight to the bitter M-M-Steelworkers tug-of-war:

Blind River is in the "No-man's-land" between the Steelworkers' stronghold at Sault Ste. Marie, Ont., (**Algoma Steel**) and the M-M fortress in Sudbury area (**International Nickel**).

Steelworkers is the continual aggressor, being Labor's chosen instrument to wipe out the Communist-line Mine-Mill. Thus any major steel union advance in the area between Sault Ste. Marie and Sudbury would be a long-run threat to M-M's Inco membership, some of which is dissatisfied with union policy and leadership.

Without Inco, M-M would be virtually finished in Eastern Canada.

Labor Briefs

U. S. unions with Communist connections are slowly being battered out of existence. Latest development: Accusation of 14 officials and staffers of Mine-Mill of conspiring to defraud the U. S. Government.

The action is based on the contention that Mine-Mill is not a properly qualified union under U. S. law because of its Commie leanings.

With Mine-Mill and United Electrical Workers both being pushed downhill by pressure from the U. S. Government and other unions, the Canadian branches of these two unions find their positions increasingly precarious.

• • •

Canada in October lost 133,870 man-working days to strikes and lockouts. In October, 1955: 384,190 (largely because of the **General Motors** strike which lasted throughout that month). In September this year: 111,200.

• • •

A unique program of case history studies featured this week's conference of the Personnel Association of Toronto. Personnel problems and practice were illustrated in detailed examinations of specific situations.

Appoint Shepard New Transport Board Chairman

A young (42) Winnipeg lawyer specializing in transportation matters will become new chief commissioner of the Board of Transport Commissioners Jan. 15.

He is Clarence D. Shepard, a freight lawyer for a decade. He has represented the Province of Manitoba many times before the Transport Board.

Retiring from the post is Mr. Justice J. D. Kearney, who suffered a mild heart attack this year. Kearney will move to the Exchequer Court. The Transport Board chairman is always an Exchequer judge — and this fact means, too, that Shepard will get an Exchequer appointment.

Shepard will be the youngest chief commissioner in the Board's history.

He will direct an agency which exercises regulatory power over railways, pipelines and other transportation fields coming under federal jurisdiction.

Under Kearney the Board has been constantly in the headlines. In the past decade it has handled a succession of complicated rail freight cases involving railway requests for rate boosts, plus general revisions of rate structure.

Auto Production

	Wk. End. Nov. 24	To date 1956	To date 1955
Am. Motors:			
Hudson	...	1,156	....
Nash	...	2,907	....
Rambler*	...	1,054	....
Total cars	...	5,117	2,818
Chrysler:			
Chrysler	114	5,406	....
Desoto	...	1,398	....
Dodge	1,155	39,671	....
Plymouth	1,013	34,467	....
Total cars	2,282	80,942	84,575
Dodge	179	6,049	....
Fargo	146	5,369	....
Total trucks	325	11,418	9,030
Cars, trucks	2,607	92,360	93,605
Ford:			
Ford	1,183	62,377	....
Mercury	119	6,754	....
Meteor	594	30,123	....
Monarch	116	7,162	....
Total cars	2,012	106,416	125,641
Ford	406	18,910	....
Mercury	152	7,753	....
Meteor divy.	26	561	....
Total trucks	584	27,224	28,376
Cars, trucks	2,596	133,640	149,017
GM:			
Buick	560	16,676	....
Chevrolet	1,215	61,587	....
Oldsmobile	349	9,054	....
Pontiac	1,957	40,639	....
Total cars	4,081	127,956	128,157
Chevrolet	495	20,795	....
GMC	322	14,702	....
Pontiac divy.	40	1,260	....
Total trucks	857	36,757	28,754
Cars, trucks	4,938	164,713	156,951
International:			
Trucks	403	14,008	6,759
Stude.-Pack.	200	7,882	7,477
All cars	8,575	325,313	348,426
All trucks	2,169	89,407	68,201
All vehicles	10,744	417,720	416,627
Last week	10,287	....	....
Last year	7,048	....	....

*Prior to week ending Sept. 22, Rambler production was included with Nash and Hudson.

Parliament Opens, So Does Battling

OTTAWA (Staff) — Parliament met this week to vote:

- $1 million for Hungarian relief.
- A gate-opening $1 for expenses for Canada's contribution to the UN's Middle East police force. (Defense Dept. has enough now, it thinks.)

But instead of being a routine day-or-so session involving only quick approval of generally agreed-upon financing, it became an opportunity to throw a probing searchlight on current Canadian external affairs policy.

All parties are united against Communism. But how Communism should be fought — and the way Canada has been, is and will be proceeding in that fight — are moot points.

CANADIAN BREWERIES LTD. during November issued an additional 2,130 common shares upon conversion of $1.25 cumulative convertible preferred stock. Now 400,693 preferred shares and 3,057,911 common shares outstanding.

ANNOUNCEMENT

J. GEOFFREY NOTMAN

whose election as a Director of Crown Trust Company has been announced by the Company. He is President and General Manager of Canadair Limited and a Director of the parent company, General Dynamics Corporation. He is also a Director of the Canadian Bank of Commerce and other Canadian companies.

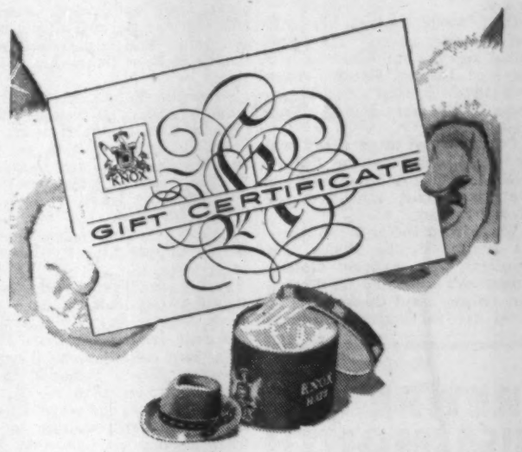
Disappearing Roof On Ford Hardtop

Ford of Canada has announced that its hardtop model with steel roof retracting into the trunk probably will hit the Canadian market early in the new year.

Thus for the first time the so-called hardtop convertible becomes truly convertible. A push of the button causes Ford's retractable top to disappear completely.

The car bearing this feature looks much like a Ford Fairlane. It's three inches longer to allow sufficient space for the disappearroof.

KNOX HATS



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Uneasy Mid-East Outlook Hits Some World Cruises

There will be fewer cruises to the Middle and Far East this year, due to the crisis in the Suez area. But some are still scheduled to sail.

One world cruise, featuring the Mediterranean, the Suez Canal and the Far East, has been canceled. Instead, **Swedish American Line's** luxury liner Kungsholm, will sail around South America.

Cunard plans to go ahead with its world cruise in the Caronia which features South Africa and the Cape route, instead of the Mediterranean.

Three West Indies-South America cruises in the Nieuw Amsterdam will replace **Holland American's** scheduled Mediterranean cruise. And Cunard has revised its deluxe spring cruise in this area. According to the new itinerary, the Britannic will not visit the countries in the immediate vicinity of the Suez, but will make more and longer calls at northern and western Mediterranean ports. The most easterly stop will be made at Dubrovnik, Yugoslavia.

American Export on the other hand, is making no changes at the present time in the itinerary of the Constitution, due to sail for the Mediterranean on February 1. The cruise still features stops in Egypt and Israel.

Changes have not yet been announced in **Norwegian American** or **Clipper Line** Mediterranean cruises.

Travel agents say that European bookings for next summer are much heavier than at this time last year and so far there have been few cancellations (Christmas-New Year's business, however, is slacker than usual). In general, tourists and travel agents are sitting tight, waiting to see what happens in the next few months.

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THAYER of MEXICO
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Colombia's Riviera

There's a Riviera in Europe, a Gold Coast in Florida. And in Colombia—northern South America—there's an Emerald Coast, which can be mentioned in the same breath as the other two.

Starting at Cartagena with its gambling casinos and great fortresses built by the Spaniards, the Emerald Coast includes Prada Mar, vacationland of wealthy Colombians, and Santa Marta, Colombia's oldest city.

New dual highways and access roads were recently completed in the vicinity of Emerald Coast. And the entire area has lovely beaches, good fishing, swimming, water sports and a number of golf courses.

New hotels are being built to accommodate an increasing number of tourists.

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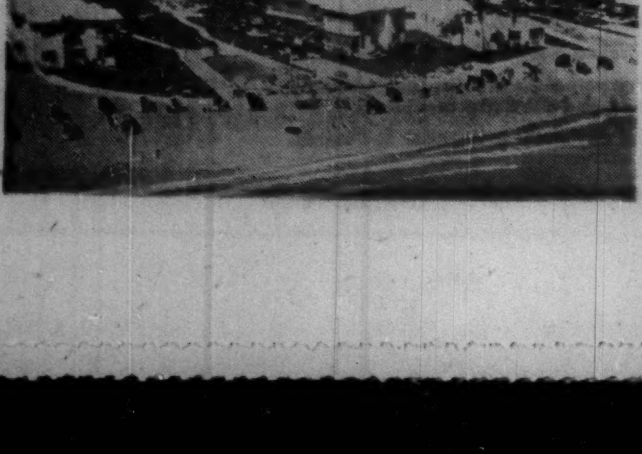

POST TRAVEL BUREAU
Where to go - how to go - where to stay

MIAMI BEACH, fringed with luxury hotels, is the southernmost resort area on Florida's fabulous mainland. It's a city of shining spires, tropical foliage and wonderful beaches lapped by an incredible blue sea. It is claimed to be the fastest growing tourist centre of the U. S.

Wide, White and Winterless — Miami Claims Tourism's Crown

By B. W. RIDDELL

The largest city in Florida, the fastest growing centre in the U. S. and the No. 1 tourist resort in America — that's what Miami claims to be today.

The total area of Miami and Miami Beach (separated by Biscayne Bay), some 90 square miles, offers many tourist attractions. This city of gleaming white skyscrapers (there's no smoke to discolor them), tropical scenery and year-round summer, boasts gorgeous beaches, elegant shops and some of the most luxurious and modern hotels in the world.

The first stage of the winter season (which this year promises to be the biggest ever) is about to begin. Canadian travel agents say that bookings for Florida are heavier this year than ever before. The Christmas-New Year holiday period is jammed and visitors for January, February or March are advised to make reservations soon.

Since World War II, Miami has experienced a tremendous building boom. Overlooking the beach are several fabulous new hotels — the $15 million **Fontainebleau** (considered by many to be the most luxurious resort hotel in the world), the **Eden Roc** and the **Americana** being among the most recent. A new 1,000 room hotel to cost about $16 million is about to begin construction. It is scheduled to open in the fall of 1957.

In the past 12 months, no new hotels have opened but there have been a number of additions to existing hotels, providing 1,000 more rooms. Apartment building construction has been fairly heavy.

Over 138,000 vacationers can now be comfortably housed at any one time.

Rates vary according to season. Summer prices, which start the end of April, stay in effect at most hotels until around December 1. Tariffs are a little higher from December 1 to about January 15 when top winter rates come into effect. From about March 20 to April 30 hotel rooms cost about the same as during the December 1 to January 15 period.

Winter Rates

The early and late winter rates at the best hotels usually start at about $22 per day for two people, without meals. Midwinter rates start at $24 to $28 for two. But attractive accommodations can be obtained for as little as $60 per week for two.

Large Miami hotels are self-contained resorts in themselves. Those overlooking the beach have private beach clubs. Many have ultra modern swimming pools. And this year there will be even more entertainment — more top-flight orchestras for dancing, fashion shows and movies.

There are 535 hotels in the Miami area. Among the leading ones are: **Broadripple, Eden Roc, Flamingo, Fontainebleau, Golden Gate, Gulf Stream, Ivanhoe, Kenilworth, Key Biscayne, Lombardy, Martinique, Miami Beach, Roney Plaza, Sans Souci, Saxony, Sea Gull, Sea Isle, Sea View, Traymore.**

Miami provides almost every type of entertainment and amusement for the visitor. There are excellent restaurants, swank night clubs and intimate cabarets to suite every taste. Two municipal 18-hole golf courses are within easy reach of all the hotels, and there are numerous playgrounds where tennis, shuffleboard and other games can be enjoyed.

Big-game fishing for baby sailfish (especially in December), marlin, wahoo, dolphin and king mackerel is one of the most popular activities. The light tackle fisherman can find excitement in the bay waters where bonefish, permit, snook and channel bass are caught.

Crandon Park, which contains 1,000 acres of coconut palms and countless other varieties of tropical growth, is one of the most exciting parks in the world. Here you will find a children's zoo, beaches, bathing pavilions, picnic grounds and outdoor barbecues. Among the many park restaurants is the delightful **Jamaica Inn** with its English style "pub."

The fabulous Seaquarium at Crandon Park contains examples of just about every type of sea life — sharks, barracuda, porpoises, spotted rays, eels, morays, cowfish, octopuses, lobster, starfish, clams and many more. Some are contained in two huge tanks (one 80 ft., the other 50 ft. in diameter) and are fed by divers who enter the tanks with various types of food. Visitors watching through portholes at three different levels see the porpoises "come to dinner" when the diver rings his bell.

A pleasant drive from Miami takes the visitor to Coral Gables, a lovely Spanish-style city. Spanish architecture dominates. The city hall is modeled after that of Seville. The University of Miami and Lowe Art Gallery (one of the finest in the U. S.) are found here.

Many Miami vacationers take one-day trips to the Florida keys or the Everglades which includes stops at the Monkey Jungle (where visitors are kept behind bars for their own protection), Orchid Jungle and Coral Castle — the amazing handiwork of a love-lorn Latvian immigrant.

Horse racing, a particularly popular diversion, begins at Tropical Park on November 28, and continues to January 17. On that date racing starts at the beautifully landscaped Hialeah track.

Gulfstream Park opens on March 4 after the closing of Hialeah and continues to April 29.

Greyhound racing is featured nightly until June.

Symphony concerts, musical comedies and Broadway drama hits are starting and the fabulous shops on Lincoln Road are beginning to display the season's finest goods.

The Christmas-New Year week is the most colorful of the year in Miami. The period is also called "Orange Bowl Week" when two famous football games, a tennis tournament, regatta and parades, take place.

By plane it costs $152 tourist or $164 first class from Toronto to Miami and return. **TCA** has an excellent direct service to Tampa and arranges connecting flights to Miami. **Eastern** and **National** airlines both fly via New York to Miami.

Family plan fare, available on the New York route, is $259 return for a husband and wife. This special rate will be offered on Tuesdays, Wednesdays and Thursdays to the end of the year. After that time it will be available from noon Monday to noon Thursday every week.

It's Only An Hour And $30 To Nassau

Less than an hour from Miami by air lie the Bahamas. Many Florida vacationers find it pleasant and convenient to spend a few days in this attractive British colony.

Nassau is one of the most elegant resorts in the world, with luxurious hotels, beaches and old-world charm. The Outer Islands, with their outstanding facilities for big-game fishing, are rapidly becoming extremely popular with tourists.

B.O.A.C. and **Pan American** airlines fly from Miami. The fare is $30 return. **Mackey Airlines** offer flights from West Palm Beach and Fort Lauderdale.

A weekend cruise from Miami to Nassau, also provides a delightful "extra" to a Miami holiday. Starting January 4, the luxury liner S.S. Florida (**P. & O. Steamship Co.**) will offer bargain package tours every weekend. An overnight voyage from Miami Friday night, brings the ship into Nassau's harbor early Saturday morning.

For the next two days, passengers may live aboard or stay at one of Nassau's lovely resort hotels. Sunday evening, the ship sails for Miami, arriving early Monday morning.

The return fare for a Miami-Nassau cruise is $36. If ship accommodation is required in Nassau, the total cost is $51.

It is hoped that later this winter, a second **weekly cruise will be inaugurated.**

600-Mile Cruise Through Jungle

An unusual and fascinating package tour from Miami to Venezuela is offered by **Aerovias Veneaolanas, S.A. (AVENSA).**

Highlight of the tour is a 600-mile jungle cruise (in a comfortable twin-diesel steamer) on the famed Orinoco River. The six-day cruise from Ciudad Bolivar — chief port of the cattle ranching region — to the great rapids at Puerto Ayacucho, takes tourists through a variety of tropical scenery.

Side trips can be made along a few of the Orinoco's 436 tributaries, including the Venturi — principal source of diamonds in the Western Hemisphere.

Other trips will be made to Venezuela's unspoiled hunting and fishing grounds, and to Angel Falls — highest waterfall in the world.

The tour also features a two-day stay in Caracas, the capital, and Maracaibo — second largest city in Venezuela and important oil centre.

Company Report

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

ANGLO-HURONIAN LTD. had a net profit of $1,024,247 in the year ended July 31, 1956, up from a profit of $1,002,268 in the previous year.

Net value of assets based on market value and estimated fair values was $30,600,000, equal to $20.40 an issued share, R. V. Porritt, president, says.

British bonds and shares of certain dormant mining companies were disposed of during the year at a total loss of $160,168 of which $94,574 was charged against provision for possible loss on mining shares and balance against surplus.

Profit on sale of marketable shares amounted to $69,077.

Rhodesian Asbestos has not yet attained profitable operation because of continued difficulties in mining and milling and a poor market for the fibre. Production difficulties have been eased and there is hope for improvement in marketing.

Anglo-Huronian has a 25% interest in **Triana Exploration** which has acquired several properties, particularly a hematite and magnetite property in the Black Lake district of Saskatchewan which is being examined.

INCOME ACCOUNT

Years Ended July 31:	1956	1955
Divds., int., etc.	$1,102,641	$1,074,977
Less: Withholding tax	532	424
Gen. & ad. exp.†	75,542	[illegible]
Sundry w/o's	80	111
Income taxes	1,300	......
Depreciation	740	785
Net profit	1,024,247	1,002,268
Add: Prof. sale secs.	3,463	17,606
Less: Dividends	750,000	750,000
Surplus for year	277,710	269,874

†After deduction of income from management service.

Earnings per Share†	$0.68	[illegible]
Paid	0.50	0.50

†Based on net profit including profit or loss on disposal of securities.

CONDENSED BALANCE SHEET

As at July 31:	1956	1955
Cash	$383,069	$815,441
Marketable sec.§	3,284,036	2,810,311
Accts., etc., rec.	17,250	10,152
Shs. & notes of other cos.‡	6,867,311	6,333,747
Total curr. assets	10,251,686	9,969,651
Other invests.	38,939	173,380
Prep. & def. chgs.	483	690
Pros. & develop.▲	134,610	102,113
Equip. less deprec.	2,961	3,140
Total assets	10,428,679	10,248,974
Total curr. liabs.	15,536	113,534
Capital stock	5,340,349	5,340,349
Surplus	5,072,800	4,795,091
‡Market value	▪26,023,874	‡23,823,933
§Market value	3,804,177	3,324,613
▲After res. of	795,818	[illegible]

‡Market value of shares having a book value of $5,352,918 included in total amount of $6,333,747 shown above.

▪Mkt. value of shs. having a book value of $5,860,206 included in total amount of $6,867,311 shown above.

Working capital	10,236,150	[illegible]

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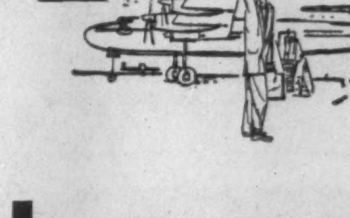
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Bruce Hutchison writes about:

The End of a Myth

By BRUCE HUTCHISON

A friend recently sent me a document published by the Bureau of Municipal Research in Toronto. As it reached my office on the blackest day of the Suez crisis when a newspaper editor was living at the end of a telegraph wire, I glanced at this leaflet, saw that it deplored the voting habits of Canadians and tossed it aside.

There was no relevance, so far as I could see, between the fact that many civic voters won't vote and the fact that the world, at this moment, seemed likely to disintegrate.

After the crisis was over or seemed to be over (though God alone knows what may have happened by the time this is printed) I looked again at the publication called Civic Affairs and discerned in it a relevance which the authors themselves may have overlooked. This study of municipal government in Canada seemed to say more about the nature of the world crisis than all the confusing statements of the world's governments.

The trouble with our municipal government, says Civic Affairs, is that so few citizens bother to use their franchise and this problem is "not susceptible to any simple trick formula . . . A carefully thought out, long-run approach would seem to be required."

Well, a simple trick formula, if you can call it that, recently appeared overnight in two places at once with the clarity of lightning and the whiff of hydrogen atoms.

If Suez and Hungary told us anything, it was that the democratic process has stubbornly refused to face the real facts of life in the current world. And the voting or non-voting habits of the democratic peoples, we among them, lie at the core of this dilemma.

• • •

There's Strong Link Between Hungary And Canadian Voters

You may say that it is fanciful to link the Hungarian tragedy and the hair-breadth escape at Suez with the fact that only about one voter of three in Toronto and many other municipalities bestirs himself enough to go to the polls once a year. It seems to me that the connection is direct, illuminating and, to the thoughtful democrat, frightening.

For observe, first, the weird juxtaposition of events in two cities of my acquaintance. In Budapest the Hungarian people are willing to die for the remote chance of freedom. In Toronto only a minority of the people are willing to vote for the established benefits of freedom.

To the Hungarians democracy is a far-off hope worth a man's life. To us in Canada democracy is taken so completely for granted that it is hardly worth a passing annual thought.

Observe, second, the spectacle of Suez (whatever you think of its merits) and, beside it, the spectacle of the democratic mind all over the democratic states and especially in North America.

Suez told us many things about which ordinary men and future historians will long quarrel. But it told us one thing which no one can deny.

It told us that the world we live in is not the world of our current democratic myth, not the world of our politicians' speeches, of the newspaper editorials written by fellows like me, of the radio programs, the television shows, the peaceful Canadian home and that whole pleasant apparatus known as our high standard of living.

• • •

Nasser Pulls Rug To Reveal Cracks In Democratic Floor

Just as we are saying, especially in Canada, that we never had it so good, just as we are reminding ourselves that the twentieth century belongs to Canada and we have the world by the tail, destiny pulls the rug from under us—not altogether, to be sure, but far enough to reveal the cracks in the floor.

One of history's more tawdry toys, wearing the name of Nasser and the empty trappings of power, suddenly emerges to push us to the edge of the abyss. Governments reel. Alliances split. Statesmen gibber. Even the all-wise mechanical men of the Kremlin cannot make up their minds. Civilization itself seems to hang on a chewed string.

The average Canadian, who never had it so good, realizes, if he can think at all, that he is only an atom in a chemistry of atoms likely to explode at any moment.

That is what a third-class person like Nassar can do to us. That is the kind of world we live in, its dark crannies and yawning fissures briefly illuminated by the flash of lightning.

Are we going to forget the crannies and fissures in this breathing spell of relief? Are we going back to the illusion that everything is all right down below because the surface has been quickly plastered over? Are we going back to the genial axiom that we never had it so good and deserve to have it better tomorrow?

Now, it is doubtless true, as Mr. St. Laurent says, that the price of the crisis, with all its strains, will be worth paying if it has brought the world's governments to their senses; above all, if it has begun to establish the sovereignty of the United Nations; true also that through this black nightmare the sanity of a great Canadian, Lester Pearson, shone out like a searchlight.

Yes, but a larger question stands unanswered. Did the free peoples themselves understand the underlying lesson of these events? Did they understand, in short, that most of the basic assumptions they have been following, especially in America, simply are wrong and highly dangerous?

I mean, for example, the assumption that the Russians have got religion, have changed their lifelong convictions and (as an eminent authority remarked two days before the Hungarian butchery) have lost their nerve; that Britain is no longer powerful enough to ruffle the world; that Frenchmen can never agree on anything; that the Eisenhower government has a foreign policy which works; that the Commonwealth will always act together in the pinch; that we in Canada are bound to have it good because we are rich, virtuous and distant from trouble.

• • •

We Need to Revise Methods of Thought All Down the Line

All those assumptions and many others were instantly repealed or should have been repealed in the first week of November, 1956. There is a still larger assumption, widely accepted. It assures us that history is a rational process moving by decipherable laws in calculable courses subject to the management of governments if they are only wise enough.

It may be so in the long run of the ages, though I doubt it, but in the short run of a lifetime, the only run that matters to living men, we have lately seen that sheer accident, the passing whim of destiny, or whatever you may call it can turn the world upside down, without notice. History thumbs her nose to remind us that we are only a few years out of the caves.

What does all this mean to the ordinary man, especially to the ordinary Canadian who, of all men, never had it so good? It means, surely, that if our economic, industrial and mechanical methods are sound and up to date, our methods of thought have lately lagged far behind the current facts and the immediate dangers.

It means that the ordinary man, if he wants to have it good—if he even expects to survive at all as a free man—must begin at last to think about his real affairs as he is not thinking now.

He couldn't begin that education better than in the local affairs well within his understanding, the affairs of his own town. They may seem pitiably small beside the great affairs in the headlines but they represent the very basis, the school room and the hope of democracy.

If we cannot master them, if we refuse even to vote on them, we shall never master anything larger. In the end, if we do not value it more than many of us do now, we shall lose the vote itself, the vote for which less fortunate and less educated people in Hungary are willing to face Russian tanks, barehanded and helpless.

We are not helpless, but we are appallingly thoughtless and thoughtlessness is the sure beginning of helplessness. So I wonder whether we really read between the lines of the news from Budapest and Port Said.

Saguenay Power Net Shows Drop

MONTREAL (Staff) — Net income of **Saguenay Power Co.** and subsidiary companies for the nine months ended Sept. 30, 1956, was $862,787 ($1,059,647 for the like period of the previous year).

The report says the effects of the severe water shortage during the first half of the year have been partially offset by the satisfactory rate of operations during the third quarter. During this period, net income amounted to $385,908 ($302,275).

Operating revenues were higher at $7,535,218 ($6,793,346) while total operating expenses were also up at $4,353,542 ($3,363,482). Operating, maintenance and administrative expenses totaled $2,948,866 ($1,971,325), and depreciation, $614,016 ($582,162). Gross operating profit amounted to $3,181,676 ($3,429,864).

Provision for current and future taxes totaled $1,188,735 ($1,327,059).

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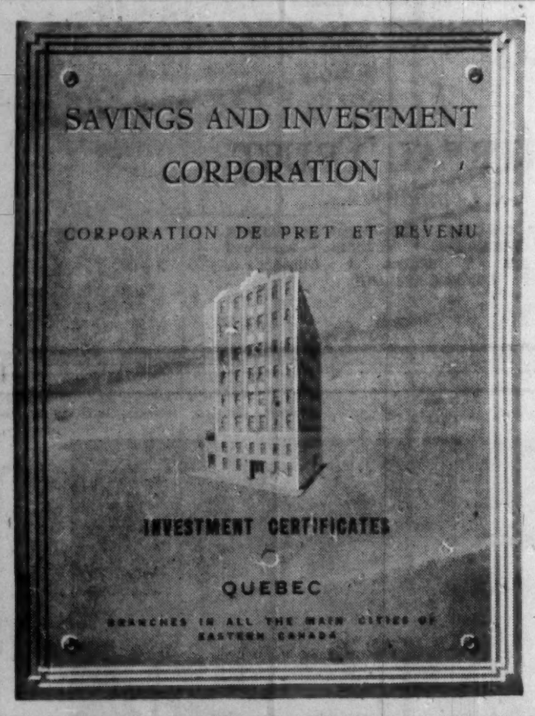

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Le Combat de Boxe

Could it be that this French couple are not speaking? Or is Madame simply not interested in the fight on T.V.?

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speaking of women

(and it seems that just about everyone is in this new issue of MACLEAN'S)

Women are not a race apart

says Anne Francis

an Ottawa writer and commentator in

"FOR THE SAKE OF ARGUMENT"

but Maclean's says they are—

and has tape recorded a full discussion — all about women, what their status is today and what it will be in the future. The distinguished panelists who discussed the subject were:

Dr. Marion Hilliard
"Women's values are distorted by too much emphasis on sex."

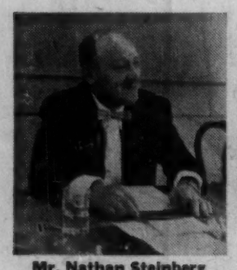
Dr. Reva Gerstein
"We've tarnished the concept of motherhood and bringing up children."

Madame Renée Vautelet
"Women hinder women more than do men in their fight for freedom."

Miss Anne Hamilton
"I hope women never become superior to men."

Miss Elizabeth Loosley
"Women are in retreat."

Dr. Ashley Montagu
"Women are superior to men."



Mr. Nathan Steinberg
"With women, women can't stop talking. With men they clam up."

Mrs. L. M. Baldwin
"Women are more comfortable with men today."

by Dorothy Sangster

The lady is a labor leader

Glamorous Huguette Plamondon is (of all things) boss of 21 packinghouse unions. Be sure to read all about her.

NOTE TO NATIONAL ADVERTISERS

Maclean's circulation is growing by leaps and bounds. With its issue of March 2, 1957 the magazine's circulation rate base advances to a new high of 565,000 ... a gain of 10.8% from March 1956.

DECEMBER 8 ISSUE AT ALL NEWSSTANDS NOVEMBER 27

MACLEAN'S

CANADA'S NATIONAL MAGAZINE—A MACLEAN-HUNTER PUBLICATION

Don't Manhandle Retail Credit: A Warning from Auto Industry

The auto industry's misgiving about Canada's consumer credit squeeze is hardening into outright opposition.

That is the significance of an address this week by General Motors of Canada President William A. Wecker, OBE, to a press conference at the opening of the GM Motorama—a showcase of company products.

There is no pressing short-term inflationary trend in consumer goods, says Wecker.

To tamper with consumer credit is to invite chain reaction unemployment. Here are details of the Wecker stand.

By W. A. WECKER

Most of the considerations that bear on the consumer market's actual performance are beyond manipulation.

But one of them, the amount of credit available to our customers for buying our products, is not.

Ordinarily this question would be settled quite simply by measuring their desire to borrow against their ability to repay.

But in the last few months consumer credit has been singled out as a possible target for anti-inflationary measures, in the form of controls on the volume of credit and the terms under which it is issued.

This suggestion ignores the facts of good business and invites the consequences of bad economics.

To begin with, you can be quite sure that in their own interests the automobile finance companies will avoid unsound contracts at all times.

By every yardstick available to us right now, consumer purchasing power and, with it, consumer credit were never healthier than they are today. Wages are higher than ever before and disposable income is at least 8% greater than it was a year ago.

The borrowing record is as good or better than it ever was. Delinquency and repossession rates on an automobile financing contract have seldom been lower.

Need Realism

Aside from the finance companies' ability to manage their own private commercial affairs, the actual consequences of imposing curbs on consumer credit should be measured, and measured realistically, against the claim that such controls would effectively combat inflationary pressures.

The truth is that by the generally accepted definition, there is no pressing short-term inflationary pressure in the consumer goods market at this time.

The automobile market, and consumer markets in Canada generally, are in one of the most competitive periods in their history.

There is no one market among them, and this is particularly true of the automobile industry, where demand is in excess of supply—the first classic condition of an inflated market. The case is almost precisely the reverse: our merchandising policies, no less than our product research and design, are committed as they have seldom been before to stimulating the market and calling forth fresh buying from undecided consumers.

Similarly, there is no consumer market in Canada today where there has been a runaway rise in retail prices — the second classic condition of an inflated market. Such price increases as there have been are in every case a result of wage and material costs outstripping productivity, rather than dollar competition for scarce goods in the market-place itself.

By pointing out that there is no immediate inflation in our consumer goods markets, I do not mean to suggest that the Government is shadow-boxing with an imaginary problem. We are confronted with an inflationary problem, but it is a slow, long-term process that must be defined before it can be fought.

Unemployment Danger

It springs from the pressure exerted by a wage scale that is rising faster than productivity, and is complicated by the material shortages that inevitably occur in an economy expanding as fast as ours.

It is true that the automobile industry could be used as the wrecking-tool to reverse this long-range inflationary trend.

And, it is true that credit curbs could be the means of doing it. This would have one effect: a chain reaction of unemployment.

A curb on credit would slow down the automobile industry's production, which would mean throwing automobile workers out of work. The chain-reaction would set in, involving the thousands of suppliers in Canada of the automobile industry.

As automobile production was reduced, there would be less work for these men and women. Unemployment in the supplier companies would have an additional reaction on a further wide scale in our basic industries.

While on the subject of controls, there is another observation that deserves attention. While there is no precise means of assessing the consequences of experience, I believe it is pertinent to note that businessmen have learned by observation that government controls, like emergency taxes, are more likely to endure than be dispensed with.

In practice, this means that when government controls force interest rates up today, they will probably do the same thing tomorrow.

Far from discouraging immediate borrowing then, the controls might very well constitute one more good reason for borrowing quickly before money becomes even more expensive.

In the meantime, the figures for 1956 offer a very impressive possibility; the possibility that the industry's new vehicle sales will break the half-million mark for the first time in history. They will certainly come close.

Based on the latest sales reports we have, we expect figures for 1956 to be approximately 405,000 passenger cars and 91,000 trucks. The sales stimulus of the 1957 models could very well provide the extra leverage needed to carry the total to a half-million or more.

That is about as far ahead as we can see with certainty. The industry's outlook for 1957 must be read carefully, with an eye to a number of conditions that are subject to wide variation.

Given an extension of present conditions through 1957, our calculations would indicate a potential market for about 425,000 passenger cars and 100,000 trucks. That is the possible market; potentially, 1957 could produce the greatest achievement of the Canadian automobile industry; just as it could produce the greatest achievement of the Canadian economy as a whole.

The measure of our success in realizing this potential will depend, in the main, on these factors:

The first consideration is the purchasing power generated by the economy during the year.

We expect consumer incomes and consumer expenditures alike to stay at their recent high levels; and in fact to sustain their rate of increase. The record supports this expectation: there are no immediate signs of any decline from full employment. Hourly and weekly wage rates are high and stable. Retail sales volume is excellent.

At the same time, rising expenditures have not produced any signs of strain on the credit of our customers. By every indication — provided no artificial stress is brought to bear — automobile credit is vigorously healthy and capable of supporting a higher sales volume in the coming year.

This buoyant market is being expanded by a high rate of natural increase in our population, which will be accelerated this year by the arrival of 140,000 immigrants — a healthy increase of 25% over last year.

To serve this growing market, business and industry have — as far as we can judge — decided to carry out a capital expansion program in 1957 equal to the high level reached this year, possibly even higher.

The Excise Tax

The automobile industry offers an illustration of the tendency for short-term controls to stay in effect long after the reason for imposing them has disappeared. I am speaking now of the excise tax on automobile sales, which has been with us for a good many years, even through periods precisely the reverse of those it was intended to correct.

By a simple expedient of removing this tax the average car financing contract would immediately be reduced by at least $170 and the total bill to consumers would be cut more than $80 million in a sales year like 1955.

This is a situation that I would like to recommend to the attention of the federal finance department in the strongest possible terms.

Before tampering with a competitive and vigorous consumer market, which is the foundation of our prosperity and the cornerstone of our growth, there is good reason for re-assessing the consequences of perpetuating inequitable and inefficient controls like the automobile excise tax.

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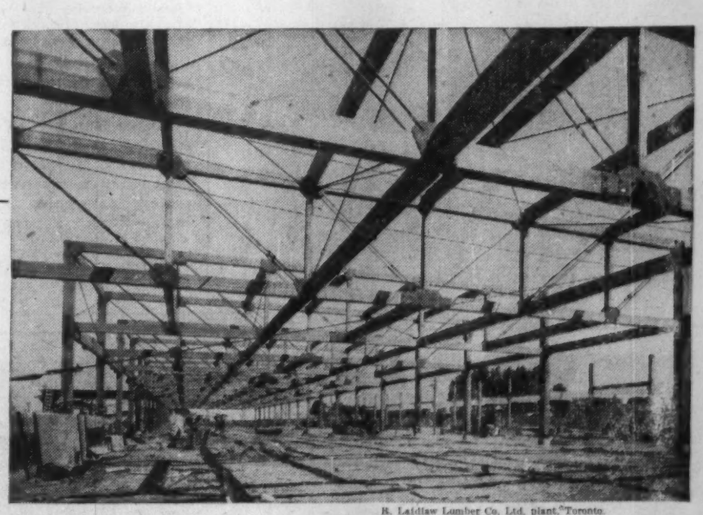

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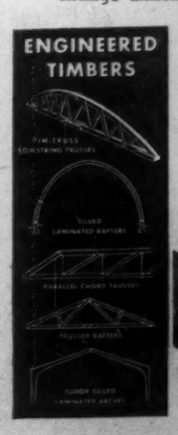

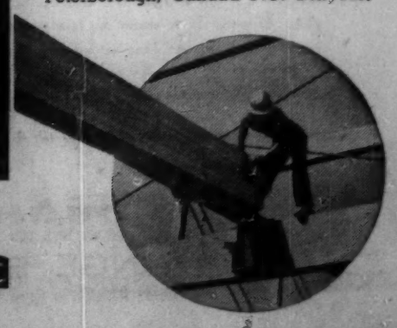

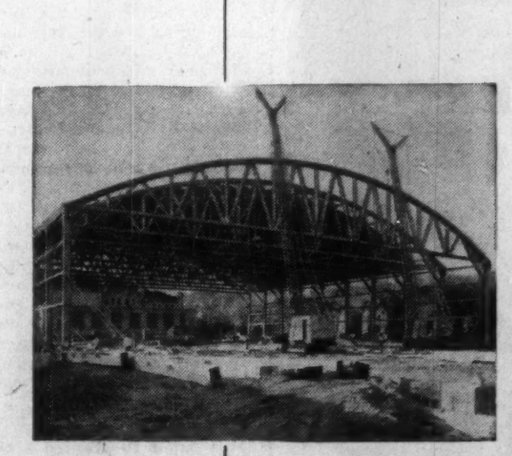

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CITC

ANNOUNCING

Important appointments in Canadian Industry, Finance, Business and Government

Alchem Ltd. (Burlington, Ont.)—G. R. Connor and C. B. Jackson to be assistant vice-presidents; R. G. Mondoux, assistant manager industrial department, to be manager.

Aluminum Co. of Canada (Montreal)—Franklin T. Matthias to be chief engineer, succeeding W. L. Pugh, retiring, but continuing as consulting engineer.

American Motors (Canada) Ltd. (Toronto)—Garnet Gunn, assistant Toronto zone manager, Nash Division, American Motors Sales of Canada Ltd.; Paul J. Sullivan, sales training supervisor, merchandising division.

Bell Telephone Co. of Canada (Montreal) — Graham F. Towers, formerly governor Bank of Canada, director, succeeding the late General S. C. Mewburn.

Brewing and Malting Barley Research Institute (Winnipeg)—Murray G. Madden, of Ottawa, director of research.

British Overseas Airways Corp. in Canada (Montreal)—F. D. Oakey, district sales manager, Toronto, succeeding G. W. W. Dodd, returning to London to take new duties at head office.

Canada Trust Co. (London, Ont.) — Col. Clarence Wallace, Vancouver, president Burrard Dry Dock Co. etc., director.

Canadian Life Insurance Officers Association (Toronto) — James N. Cunningham, vice-pres. and legal officer, Crown Life Insurance Co., Toronto, to be chairman standing committee of home office counsel, succeeds R. D. Taylor, Q.C., Sun Life Assurance Co., Montreal.

Canadian Owners and Pilots Association (Ottawa)—S. F. D. Sampson, of Toronto, general manager, Dr. Jackson Foods Ltd., Toronto, to be president; Carl Millard, Toronto, of Carl Millard Ltd., vice-president.

Carling Breweries Ltd. (Waterloo, Ont.)—R. A. Bovaird, sales promotion manager (Ontario); S. S. Smith, advertising manager (Ontario); both responsible for Carling and Brading Divisions.

Crown Trust Co. (Toronto) — J. Geoffrey Notman, president and general manager, Canadair Ltd., etc., a director.

Henry Disston & Sons Ltd. (Toronto)—Changes name to Henry Disston Division, H. K. Porter Co. (Canada) Ltd., Toronto.

Federal Grain Ltd. (Winnipeg) — G. H. Sellers, director to be a vice-pres.; R. G. B. Dickson, Q.C., Winnipeg and J. E. Gage, Vancouver, directors.

Gestetner (Canada) Ltd. (Toronto)—W. H. Waddell, Montreal manager, to be general sales manager Gestetner Duplicator Corp. U.S.A.; Norman Fawdry, formerly sales manager Central and South America to be Montreal manager.

B. F. Goodrich Sponge Products Canada Ltd. (Waterville, Que.) — P. O'Hanlon, product manager, foam rubber products; W. E. Moore, product manager sponge rubber and plastic products.

Great-West Life Assurance Co. (Winnipeg) — L. E. Brannen branch manager, Saskatoon, to be superintendent agencies, head office; Carl Spangenberg, supervisor, Saskatoon, to be branch manager.

Howard Smith Paper Mills Ltd. (Montreal)—M. Wallace McCutcheon, John A. McDougald, and E. P. Taylor of Toronto and Colin W. Webster of Montreal, directors.

GRAHAM F. TOWERS

of Ottawa, formerly governor of the Bank of Canada, has been appointed a director of the Bell Telephone Co. of Canada, succeeding the late General S. C. Mewburn.

Imperial Bank of Canada (Toronto)—J. W. McDiarmid, superintendent, Alberta branches, continues as manager main branch, Edmonton.

London & Lancashire Insurance Co. (Toronto)—Toronto office, administration and head office of group for Canada; George F. Burne, manager for Canada; John Holden, assistant manager for Canada; W. Allan Holmes, manager for Ontario; Vernon R. Frazier, branch secretary; Douglas A. McRae, formerly joint manager, Toronto, retires.

Minnesota Mining and Manufacturing of Canada Ltd. (London, Ont.) J. A. Gauthier, to be manager sales administration.

Montreal Trust Co. (Montreal)—C. D. Robertson, trust officer, pension division. E. A. Bastedo, real estate officer, both at Toronto.

Phillips Electrical Co. (Brockville, Ont.)—E. G. Purdy, to be general manager, Pacific Division in Vancouver; J. H. FitzGerald to be secretary; E. H. McCann, assistant to the president, effective Jan. 1.

Registered Public Accountants Association of Nova Scotia (Halifax)—R. W. Forsyth, Kentville, president; H. P. Beed, Halifax, 1st vice-pres.; R. E. Fancy, Truro, 2nd vice-pres., J. E. Renouf, Halifax, treasurer; W. P. Burgoyne, Halifax, secretary.

C. D. Schultz & Co. (Vancouver) — D. R. Bakewell, general manager; C. R. Matheson, development manager; P. J. Hall, operations manager; A. I. W. Mackenzie, business manager.

Shirriff-Horsey Corp. Ltd. (Toronto)—M. O. Simpson, chairman and president, Combined Enterprises Ltd. etc., and G. E. Phipps, president Dominion Securities Corp., both of Toronto, and Chester A. Barth, chairman and president National Selected Products, etc., New York, directors.

Hiram Walker-Gooderham & Worts Ltd. (Walkerville, Ont.) — Robert P. Young, formerly with Kenyon & Eckhardt Ltd., Montreal, joins firm as director of public relations, with headquarters, Walkerville, Ont.

Young & Rubicam Ltd. (Montreal)—Robin L. Hall joins client contact staff, Toronto office.

York Farms Ltd. (Toronto)—P. A. Ramey, general manager and director, to be a vice-president.

U.S. Teenagers to Study Canadian Business On-Spot

Fifteen boys and girls from across the border will invade Toronto next week to meet some of Canada's top industrial, educational and government leaders, and to feel the pulsebeat of various segments of Canadian business.

The project, labeled "Operation Canada," will be a three-day visit sponsored by the **Junior Achievement of Union County, Inc.**, of Elizabeth, New Jersey, and is scheduled to take place Dec. 5, 6 and 7.

As observers of the executive activities, the Junior Achievers from the Union County-Carteret, New Jersey, all boys and girls between the ages of 16 and 19, will have an opportunity to learn the values and workings of Canadian business.

Here are some of the group's objectives:

- To develop a keener understanding of the functions, purposes and problems of Canadian business.
- To understand the need for teamwork.
- To see first hand the scope of the decisions which a Canadian executive is called upon to make in every area—production, sales, finance, human relations and corporate affairs—and the planning, research and discussions that take place before a decision is reached and executed.
- To see the effect of management decisions on business as a whole, on the individual workers and on the community.
- To develop a better understanding of the importance and extent of capital investments in Canadian industrial plants and facilities.

Junior Achievement groups have been organized in the U. S. to give boys and girls an opportunity to learn the values and workings of American business by owning and operating their own miniature companies.

Sponsored by an adult business or industrial organization which supplies three advisers to advise and assist the Achievers in problems of sales, finance and production, they elect officers, sell stock at 50c a share to finance their small companies, purchase raw materials, and manufacture and sell a product. At the end of the year's activities the junior company is liquidated and the Achievers prepare a stockholder report and return the stockholder's investment with a dividend payment or an explanation to the stockholders as to why the company lost money.

Goodwill Trippers

Candidates for the trip to Toronto, the first on its kind ever undertaken to Canada, are being selected to fill the roles of "Goodwill Ambassadors."

The trip will not be just a few days of fun away from home, but it is geared to the future, affording youth a chance to learn by doing, say it backers.

Only outstanding youngsters will be selected by a committee to make the trip to Toronto by air.

Purpose of "Operation Canada" is to expand the "learn by doing" principle of Junior Achievement, and to give the Junior Achievers an opportunity to broaden their thinking and to demonstrate to them how essential are full understanding, teamwork, and cooperation to the continued strength and growth of both Canada and the U. S.

It is expected that the Achievers will return to their homes with a keener understanding of the importance of friendly and co-operative international relations in all areas: Human relations, education, government and particularly business and industry.

"Operation Canada" will be a three-day project.

On Dec. 5, the first day of the project, the group will meet with Roger Hawkins, industrial commissioner, Trade Industry Branch, Government of Ontario, and the staff of the Canadian Consul-General in New York City. Among the topics they will discuss here will be Consulate activities, Canadian Government, Canadian industry, and Canadian-U. S. relations.

The Achievers will then be guests of John J. Conlon, Phelps Dodge Copper Products Corporation executive, for luncheon at the Canadian Club in the Waldorf Astoria Hotel.

The following day, accompanied by adult advisers, the group will fly to Toronto via American Airlines where they will be guests of the Toronto Board of Trade at a luncheon at the King Edward Hotel.

Presentations will be made to A. J. Little, president, Toronto Board of Trade, and other Canadian officials, including Toronto's mayor. After the luncheon the boys and girls will visit Parliament Buildings, museums and universities. They will remain in Toronto overnight as guests of Canadian businessmen and their families.

Dec. 7th will be spent side-by-side with Canadian businessmen in their respective plants and offices.

The group will return to the United States the evening of Dec. 7.

In addition to James Wakelin, general manager, Toronto Board of Trade, other Canadian industrialists co-operating are: Harold Magee, treasurer, Shaw and Begg; Jack Webster, Simmons Ltd.; Paddy Priestman, American Airlines; George Lawrence, Imperial Oil Ltd.; Milton Dewey, Du Pont of Canada; Wilson R. Cassell, White Laboratories of Canada Ltd.; and an executive of Bristol-Myers Co.

Upon return to their homes the Achievers will make reports to their respective high schools, civic groups and to the Junior Achievers' Association.

High praise for the co-operation in "Operation Canada" by Canadian and U. S. authorities was voiced by P. C. Osterman, president, American Gas Furnace Co., and head of the Junior Achievement organization, who noted that even if funds were available it would be impossible to put a price on the talents and skills of all the American-Canadian industrial, educational and governmental leaders who will participate voluntarily in the project.

Junior Achievement is a national and non-profit youth educational and public relations program of business and industry. Business and industrial organizations join in providing pre-business training for high school students.

There are about 3,000 Junior Achievement companies operating in 168 communities throughout the United States and in Vancouver, B.C., and Windsor, Ont.

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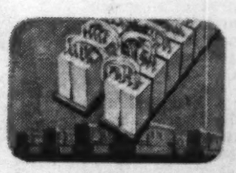

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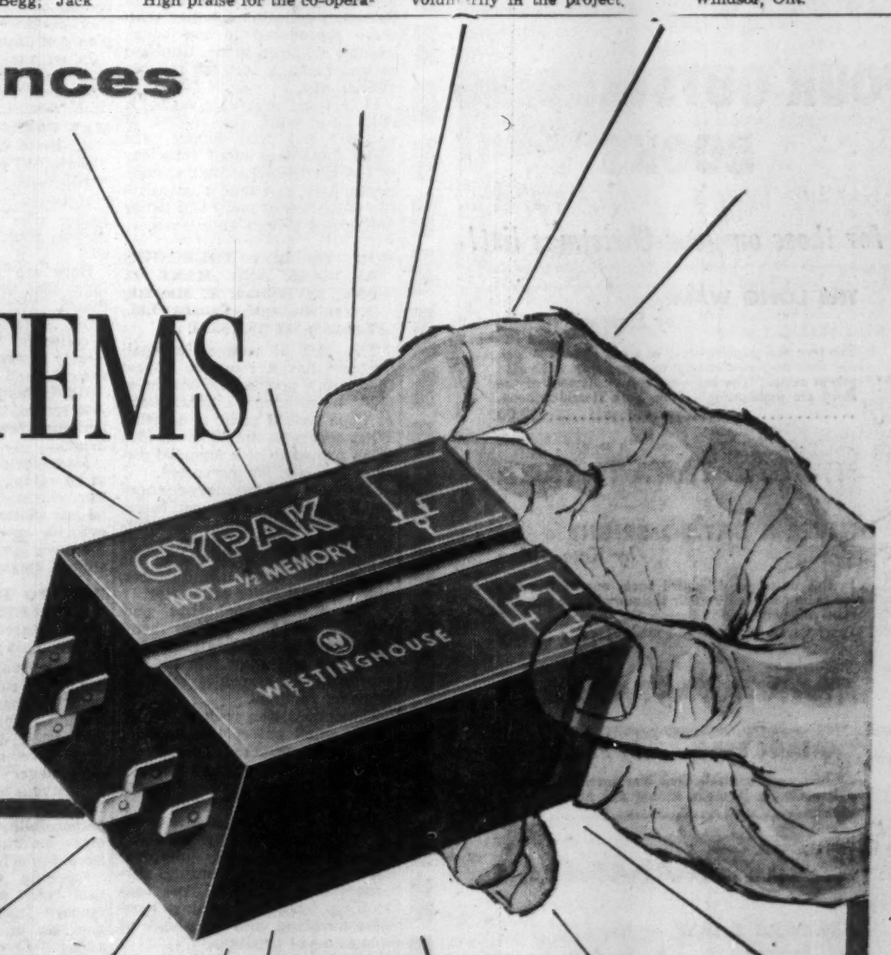

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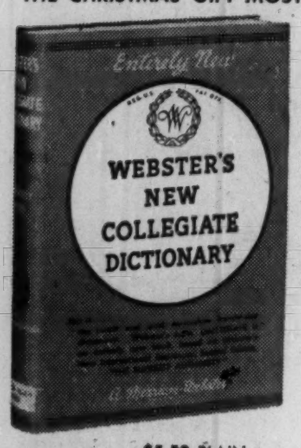

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BOOKS FOR BUSINESSMEN

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EUROPEAN PAINTINGS IN CANADIAN COLLECTIONS: EARLIER SCHOOLS, edited by R. H. Hubbard; Oxford University Press, Toronto; 154 pp.; $7.50.

If English-speaking Canadians are surprised at the wealth of European paintings in Canada—as they undoubtedly will be upon seeing this book—it is because our art collections had their start in Catholic New France.

Ever since the early part of the seventeenth century, France has been sending works of liturgical and secular art to French Canada. Canada's first private collection was founded by the Marquis de Vaudreuil, governor from 1705 to 1725.

A new influx began after the Conquest, and particularly just after the fall of Napoleon I. A number of private and semi-private "museums" grew up, and in 1880 the Royal Canadian Academy and the National Gallery were founded (the latter being placed under the care of a busy government architect).

The life of the National Gallery began in earnest in 1910, when it acquired its first professional curator, and moved into the "temporary" quarters which it still occupies at the foot of Metcalfe St. in Ottawa.

Meanwhile, great fortunes were being accumulated in Canada. For the first time, industrial magnates such as railwaymen Van Horne, Strathcona and Angus, and merchants Eaton and Drummond, had the resources, the taste and the imagination to start collecting the important moderns of their days as well as masters of the Italian, Spanish, Flemish, German, French and English schools.

The chief curator of the National Gallery of Canada, R. H. Hubbard, had drawn from these and other collections to assemble one of the most impressive books published in this country in recent years.

Highlights are the six color reproductions. In addition to the Hans Memling reproduced above, these include Filippino Lippi's Mordecai Led by Haman, Agnolo Gaddi's The Coronation of the Virgin, Tiepolo's The Adoration of the Magi, Hobbema's The Two Water-mills, and Gainsborough's The Harvest Wagon.

Another 68 pictures are reproduced in monochrome. Represented here are such masters as Titian, Tintoretto, Veronese, Canaletto, El Greco, Murillo, Goya, Van Dyck, Rubens, Hals, Rembrandt, Reynolds and Constable.

A supplement contains reproductions of the four paintings acquired this year by the National Gallery from the Prince of Liechtenstein—Martini's St. Catherine, Rubens' The Entombment of Christ, and Chardin's La Pourvoyeuse and La Gouvernante.

Accompanying each picture are brief but illuminating notes on the artist, the picture itself, and the history of the picture's exhibitions and owners.

An appendix offers a checklist of selected European paintings in Canadian collections (other than those reproduced in the book) which are known to Mr. Hubbard at first hand or through reliable publications.

In art collections, Canada is still not among the richest of nations. But this survey will make Canadians more conscious of the art treasures that already repose here, and should stimulate the formation of more and better public and private collections.

THE VIRGIN AND CHILD with St. Anthony Abbot and a Donor, painted by Hans Memling (d. 1494), is reproduced on the dust jacket and as the frontispiece of European Painting In Canada. This work by the Flemish master was bought by the National Gallery in 1954, from the Prince of Liechtenstein.

HOW TO RUN YOUR OWN BUSINESS AND MAKE IT PAY, by William R. Minrath; D. Van Nostrand (Canada) Ltd., Toronto; 323 pp.; $6.95.

The idea of running a small business has a romantic appeal that many people are unable to resist — although a great many of them should resist it heartily. What seems so simple as an idea often proves to be a financial disaster for the inexperienced.

Any help that the inexperienced small businessman can get, therefore, he should take. In offering this book, Mr. Minrath is providing a valuable service to the retailer, the small manufacturer, and the mail order proprietor.

The author emphasizes new methods that have proved themselves profitable to small business, such as a costing system for restaurants, and franchise relationships for retailers.

Collections, the rock on which many small enterprises flounder are given special attention. In this category, 21 collection letters arranged in three different groups are offered as guides.

Detailed attention is also given to effective salesmanship, direct advertising, product improvement, simplified accounting, personnel administration, cost controlling, business planning, business financing, and the choice of a business or product.

Mr. Minrath's style is simple, direct, uncomplicated. While some of his material is more applicable in the U.S. than here, his book can be read with profit by small businessmen anywhere.

THE TAMARACK REVIEW, Issue I, Autumn, 1956; published at 39 Charles St. W., Toronto; $1.

The appearance of a new literary magazine in Canada is a rare and welcome event. This attractive quarterly has launched itself with an interesting group of essays, poems, reviews and stories, in a clean and simple format.

Among its better known contributors are Brian Moore, Vincent Tovell, Hilda Neatby, George Woodcock and Dennis H. Wrong. Several of the editors and contributors are drawn from University of Toronto circles, past and present.

Canada's Picture History— A Big Land in Broad Strokes

A PICTURE HISTORY OF CANADA, by Clarke Hutton; Oxford University Press, Toronto; 62 pp.; $3.

This colorful, big-format book is not so much for businessmen as for their children. It tells the history of Canada in short words, short sentences, broad strokes and plenty of drawings.

In an age in which too many children are brought up on comic books and TV rather than literature, a picture book of this kind can play a valuable role in stimulating curiosity about the courageous exploits of the discoverers of our country.

It can also help to promote an understanding of our political development, a subject that most children can take or leave alone. Here, the highlights of Canadian politics have been reduced to essentials, and the essentials half-camouflaged. Here is its account of Confederation:

"All across the new country the day was brilliantly sunny. Everyone had a holiday. There were parades, picnics and sports. In Ottawa, the capital, Sir John A. Macdonald, chief of the 'Fathers of Confederation,' took office as the first Prime Minister of Canada. In the evening all the cities had great displays of fireworks."

MAX PRESENTS by Giovannetti; Brett-Macmillan Ltd., Toronto; 127 pp.; $3.75.

This big-format book looks like a collection of cartoons, but the reader who approaches it as a cartoon book will be disappointed.

Here are none of the visual jokes that brighten the pages of Punch, The New Yorker and other magazines. Rather, this is a collection (as the dust jacket clearly warns) of portraits, sketches and vignettes.

Here, then, are no guffaws — just smiles, the odd chuckle, and perhaps a few shrugs of bewilderment.

Max, incidentally, is depicted as an animal of indefinite species. The cloying introduction which he has written proves that, whatever his species, it is not among the more intelligent breeds in the animal kingdom.

HOW TO BE A WOMAN OF PROPERTY, By Harriet Gardner Palmer; Henry Holt & Co., New York; 221 pp.; $3.50.

Housewives and career girls can be as successful investors as their husbands or male colleagues. This is the theme of a new book designed for women who have surplus savings but have never invested before. It's objective is to show how a woman can make more money, take full responsibility for handling her own investment portfolio and have fun while she does it.

Opening with the statement that "any woman can learn to manage investments," the book goes on to explain how to go about it in simplest terms.

It is a basic course in types of available securities, characteristics of various types of investments, things to look for in buying stocks and what to expect of them. It also gives background information about the workings of the stock market, brokerage houses, investment counselors, investment trust funds and the relationship of the stock market to the surrounding economic climate.

Written for American women and with a little too much emphasis on female temperament, at times it underestimates the intelligence of the average woman. But as an elementary text book, it has merit for Canadian women who can afford to make their extra savings work for them. The author has had wide experience in many aspects of investing, and she has been closely associated with Wall Street activities since 1928.

Franklin's Last Expedition: Death, Glory and a New Era

FRANKLIN, HAPPY VOYAGER, by E. F. Lamb; McClelland & Stewart Ltd., Toronto; $7; 293 pp.

Some men are born with a spirit to see what other men have not. One of these was Captain Sir John Franklin, Royal Navy.

Most Canadians know him as the tragic figure who led an expedition into the Canadian Arctic, of which not a single man lived to tell its story.

But the 59 years before Franklin's death in the ice encompassed a life of courage, endeavor and discovery.

From youth Franklin sought the unknown; in a naval expedition to the South Seas; in a crushed attempt on the North Pole by sea; in two hardship-cursed treks by foot and small boat to the Canadian Arctic coast.

For his greatest attempt on the unknown, he paid his life. Yet the search for his lost expedition opened the new era of discovery in our Arctic, uncovered the Northwest Passage.

This book is the latest biography of the tireless Englishman who gave us much of our North, an Englishman who would have made a fine Canadian.

The book is simply written, well researched, well indexed.

DIAMOND by Emily Hahn; Doubleday Publishers; 314 pp.; $4.50.

Those who have read and enjoyed Emily Hahn's stories of China and Southeast Asia over many years will be surprised to learn that this highly literate lady holds a degree in mining engineering from the University of Wisconsin.

Here she breaks from the pattern of her earlier books, to tell "the spectacular story of earth's rarest treasure and man's greatest greed." Drawing upon her engineering background, but always writing in non-technical language, Miss Hahn tells what diamonds are, where they lie, who discovered them, what they are worth.

Giants of the diamond industry march through the pages — men such as Cecil Rhodes, Barnato, Oppenheimer. (John Thorburn Williamson, the Montrealer who found his fortune in one of South Africa's richest diamond mines, is barely mentioned, however.)

In this chronicle of one of the world's most exciting treasures, Miss Hahn has captured the lure and the brilliance of the gem itself.

TRAVELLERS WEST, by Mary Quayle Innis: Clarke, Irwin & Co., Toronto; 339 pp.; $3.50.

The 19th century was very keen on travel. Englishmen, whether for purpose of empire-building, sport, the study of natural history, or the pursuit of health, were keener than anyone.

A hundred years ago, Canada was on the eve of a great change. The vast territories of the Hudson's Bay Co. were occupied solely by Indians, voyageurs and a few missionaries. There was only a single settlement at Red River — and this was a fur-trading post. By 1872, the prairies had become a part of the Dominion of Canada and the flow of settlers into them was well begun.

This is the story of three journies into this area during this period of transaction: by the Earl of Southesk, the "traditional sporting peer," who wrote commentaries on Shakespeare in a tent on the frozen plains; Viscount Milton, who traveled for his health with his tutor, Dr. Cheadle; and Sandford Fleming and James Grant, who traveled to choose a route for the Canadian Pacific Railway.

Written largely from the journals of the travelers, the book is an interesting addition both to the literature of travel and to writing on Canadian history.

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By Beth Day

"Adventure can be fun!" says Laurette Stanton, her brown eyes sparkling. "And it can be dangerous, too!" adds Jim Stanton, as a note of warning.

You'll find that it's both as you read this spirited account of the Stantons; how they went up into the deepest wilderness of the Great North Woods of British Columbia and stayed there. $4.50

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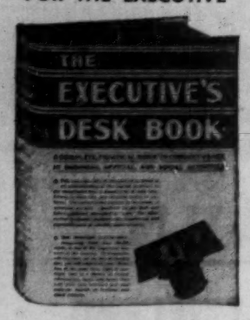

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THE JOHN C. WINSTON CO. LIMITED
TORONTO ONTARIO

THE FIREBRAND by William Kilbourn; Clarke, Irwin & Co., Toronto; 238 pp.; $5.

This is a scholarly and lively biography of one of the most colorful figures in Canada's history — William Lyon Mackenzie (whose grandson, W. L. M. King, was perhaps less colorful but certainly more widely known).

It includes all the known source material about the fiery little editor-politician who led the musical-comedy rebellion of 1837 in Upper Canada. Some of the material has not been published before.

Mr. Kilbourn, born and educated in Toronto, is now on the staff of McMaster University's history department. Rosemary Kilbourn, his sister, has supplied the wood engravings which illustrate the book.

CHRISTMAS BOOKS

A Picture History of Canada

IVON. OWEN and WILLIAM TOYE. Full-colour illustrations by CLARKE HUTTON. Out of the adventure and excitement of Canada's past emerges a panorama that will attract and enthral young sons and daughters, nephews and nieces. Available also in a French edition. $3.00

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MARSHALL W. STEARNS. Here, for all jazz fans, is a comprehensive account of the history of jazz from its birth in New Orleans to the present time. Illustrated. $5.75

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OXFORD UNIVERSITY PRESS

Here's Escapist's Handbook On the Islands of Sun, Fun

ESCAPE TO THE WEST INDIES by Bradley Smith; McClelland & Stewart, Toronto; 397 pp.; $5.50.

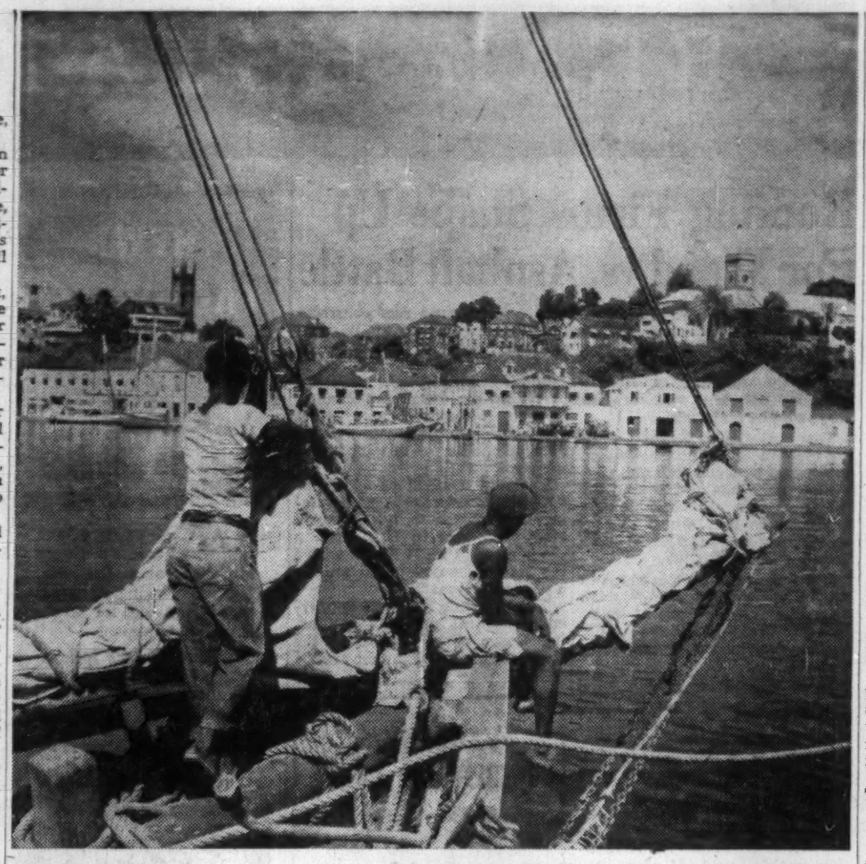
No one who contemplates either retiring to or visiting any spot in the Caribbean could hope for a more useful handbook than this. It is everything that a travel guide should be, and more — up-to-date, complete, well organized, well illustrated, thoroughly detailed without being cumbersome, and eminently readable.

Bradley Smith is perhaps even more skilled as a photographer than as a writer. He has included 115 of his photographs here, and in them he captures the atmospheres of the different islands with an imagination that is all too rare in travel literature.

In the first section of his book, the author supplies in narrative form the story of 32 of the major islands of the West Indies — their history, their culture, their outlook, their particular attractions.

The second section is in tabular form, presenting the essential information about each island — how to get there, where to stay, what to eat and drink, how much it will cost, what to see, what to bring back.

Indispensable to travelers, and highly interesting for stay-at-homes.



THE HARBOR at St. George's, Grenada. In his newly published guidebook, Escape To The West Indies, photographer Bradley Smith describes this and dozens of other beautiful islands of the Caribbean in both words and pictures.

THE TESTIMONY OF THE SPADE, by Geoffry Bibby; McClelland & Stewart Ltd., Toronto; 414 pp.; $6.75.

Bibby, a noted archaeologist, has created a stirring and beautifully lucid narrative which tells of life in Northern Europe, from 15,000 B.C. to the time of the Vikings.

It can be rated as the first complete story, in the light of startling new discoveries, of the slow spread of a succession of "barbarian" tribes north of the Alps, showing prehistory turning into history in the heartland of Europe.

Planned and written as a companion volume to Gods, Graves, and Scholars, it is the first popular book to trace consecutively the movements and the flowering culture of our early ancestors from the Alps north to Scandinavia, and from Russia to Ireland — from the cave-dwellers of France to the "Barbarian" tribes described by Caesar and Tacitus and the Norse sagas.

Like Gods, Graves, and Scholars, this book takes the reader on a voyage of discovery by introducing him to the great archaeologists who led the way into the past. Bibby writes with a sense of color and drama rarely surpassed by scientists.

He tells a great story of man's ingenuity in conquering his environment, of his amazing skill as a hunter and builder, and of his spiritual resources as an artist and creator.

Illustrated with glossy photographs, line drawings, and maps, the book serves as a useful quick reference for persons interested in archaeology problems. Readers are aided by a clear writing style, emphasizing the broad area of the subject without too much burdensome detail.

SPRING ON AN ARCTIC ISLAND, by Katherine Scherman; Little Brown & Co. (Canada), Toronto; $5.50; 331 pp.

Mrs. Scherman's impressions of a brief visit to a rock-ice-tundra island in the Canadian Arctic make mixed reading.

Arctic experts or devotees will find her studies of winged and furred life fascinating.

Yet they may find her views of the Arctic's white men, Eskimo life and camp hardship somewhat ingenuous.

Make no mistake: This is no women's club recital. It's a well-told story, scientifically backgrounded, by a professional writer-scientist-adventurer.

It's a must for the Arctic fan's bookshelf.

THE SOUND OF WAVES by Yukio Mishima: McClelland & Stewart, Toronto; 183 pp.; $3.50.

Yukio Mishima is perhaps the most brilliant of Japan's young writers. Only 31, he has written several successful novels and plays, as well as several volumes of essays.

The Sound of Waves, written in 1954, is already established as a milestone of Japanese literature. Its plot is universal — the first discovery of love, by a boy and girl.

Its setting is an island in the Gulf of Ise, off Japan's east coast. There, men live by fishing and women by pearl-diving. The people of the island are strait-laced, with little time for love.

But love does come to Shinji, the boy who is learning to be a fisherman, and Hatsue, the girl who is learning to dive for pearls. As quickly as they discover love, they discover other facts of life — gossip, the jealousy of others, and near-tragedy.

Their story is told with a simple lyricism, as delicate and as finely crafted as a Japanese scroll.

CAMPUS IN THE CLOUDS by Donald Cameron; McClelland & Stewart Ltd.; 127 pp.; $3.

This is the story of the Banff School of Fine Arts, one of this continent's top cultural centres.

The school's director, Senator Cameron, traces its progress from its beginnings as part of the University of Alberta's Extension Department, through its development during the depression and the war, to its postwar era of great expansion.

The story tells not only of the school itself, but of the directors, teachers and students, whose loyalty and hard work brought such high achievement.

With photographs.

THE GREAT MIGRATIONS by Georges Blond; Brett-Macmillan Ltd., Toronto; 192 pp.; $4.

What impels the lemmings to mass suicide, wild geese to dash themselves to death against a mountainside, herds of buffalo to roll to destruction over a cliff?

Georges Blond, a noted French writer, brings the great migrations of these creatures out of the bookshelves of natural science, imparting a note of drama to these mysterious movements.

His study is divided into five sections — the flight of the wild geese, the impulsive voyages of the herring and the salmon, the wandering of the buffalo herds, the march of the locusts, the migrations of the lemmings. Each section raises the single question, "Why do they do it?"

From his extensive readings, the author outlines the scientists' theories about the mysterious force that, year after year, launches these living creatures on their fatal pilgrimages.

THE BIBLE AS HISTORY by Werner Keller, translated by William Neil; George J. McLeod Ltd., Toronto; 452 pp.; $6.95.

Subtitled "A Confirmation of the Book of Books," this is a gathering together of a vast store of scientifically attested evidence revealing the historical foundation of the Old and New testaments.

This fund of evidence has been greatly increased in recent years by the discovery and interpretation of the Dead Sea Scrolls. Other discoveries of the past 30 years, too, contribute their independent corroboration of the Bible.

In this work, Dr. Keller relates these scientific facts to their corresponding Biblical episodes, from the disappearance of Sodom and Gomorrah to the appearance of the Star of Bethlehem.

Nor does he deal only in episodes. He describes in admirable detail the daily lives of all classes of society in the Biblical era.

This book, of great impact and interest, unites the findings of archaeologists, geologists, biologists, botanists, ornithologists, philologists, astronomers and nuclear physicists. It will have special interest to scientists in those fields, as well as to historians and theologians. But its excitement and style ensure a general interest among a wide circle of readers who have no connection with these sciences.

MODERN ENGLISH SHORT STORIES, selected by Derek Hudson; Oxford University Press, Toronto; 362 pp.; $1.25.

In this selection of 19 stories, written in the 1930-55 period, are represented 19 of England's leading story-tellers of our time; all but two of them are still living.

The stories, in general, reflect mankind's increased store of knowledge of psychology; the authors have not been slow to borrow from the discoveries of the past quarter century in depicting the complexities of the human mind.

Somerset Maugham's The Kite is an example of the psychological approach to the short story. But it also represents another of the characteristics of today's English short story — a sense of humor in the writer's perspective of life.

The authors represented here are nearly all familiar names, such as Virginia Woolf, C. S. Forester, and V. S. Pritchett. Even the stories are in some cases familiar to people who attend movies — The Kite and The Fallen Idol, for example.

An interesting collection, marred only by being set in a small, close type more suitable to a legal document than to a bedside book.

MUCH ADO ABOUT ME by Fred Allen; Little, Brown & Co. (Canada), Toronto; 380 pp.; $5.

When Fred Allen set out to write the story of his life, he decided to tell it in two parts. His first book, Treadmill To Oblivion, covered the second part of his life — his career as a radio comedian from about 1930 on.

In this, his second autobiographical work, he tells of the first part of his life, from childhood through vaudeville to musical comedy stardom. When he died last March, his story had been completed up to 1928.

Fred Allen was happier in these years on the stage than he ever was in his later years as a highly paid radio comic. He had fun in those early years; he has recaptured that fun, and put it on paper here.

Like most misadventures, his probably seemed even funnier to him in retrospect than they did when they happened. He never forgot the Yarmouth, N.S., theatre which employed one act and no stage-hands; before he could do his juggling routine, he had to pull up the movie screen, pull back the stage curtains and turn on the footlights. In Winnipeg and Regina, the 1917 audiences were not amused by his patter, but were wildly enthusiastic about the acrobats who shared his billing. He remembers Victoria as the place where his troupe stocked up on Scotch and smuggled it back to the U. S. in hot water bottles — only to find it ruined by the rubber.

Wherever Allen went, from Boston to Brisbane and back to Broadway, he ran into the gaudiest people of a gaudy era — the people who flourished in vaudeville's heyday. His book recreates that era, those people, and Fred Allen.

THE STORY OF JAZZ by Marshall Stearns; Oxford University Press, Toronto; 367 pp.; $5.75.

Dr. Stearns, an associate professor of medieval literature at Hunter College, has made a significant contribution to the literature of this century's music in this systematic and more or less objective history of jazz.

He makes no apology for jazz, and indeed none is needed. It is a separate and distinct art, to be judged by separate and distinct criteria. As in all other arts, there is the good, the bad, and the in-between.

Combining the academic disciplines with a genuine affection for his subject, Dr. Stearns has produced a badly needed history of an art that has in general been ignored by its detractors and taken for granted by its admirers.

Although the word "jazz" historically applies to one type of popular music that flourished in the 1920s, it is used by the author to describe the whole field of music created with the help of the American negro in the U.S., from New Orleans through swing to bop and beyond.

As a reference work of this kind should be, this volume is equipped with sources, a bibliography (occupying 14 pages) and an index.

STORIES TO REMEMBER, edited by Thomas B. Costain and John Beecroft; Doubleday, Toronto; 2 vols.; $8.50.

Here is an anthology of stories that have pleased two men — Thomas B. Costain, a novelist well known to Canadian readers, and John Beecroft, editor-in-chief of the Literary Guild for nearly 20 years.

They present ther selections not as the best, nor as the most representative of certain schools, nor as even the most popular — but simply as those that two literate, well read men have enjoyed.

So broad and varied has been their choice that each reader is almost certain to find something that pleases him among the six complete novels and 33 stories included in this generous collection.

The novels are Thornton Wilder's The Bridge of San Luis Rey; Robert Nathan's Portrait of Jennie; Conrad Richter's The Sea of Grass; MacKinlay Kantor's The Voice of Bugle Ann; Selma Lagerlof's The General's Ring; and Enid Bagnold's National Velvet.

Each story, no less than each novel, differs from all others in its theme, plot, characterization or background. The selection ranges from the first of Kipling's Jungle Tales to Melville Davisson Post's short mystery story, The Age of Miracles.

Included are short stories by O. Henry, Maugham, du Maurier, Dumas, Daudet, Balzac, Wells, Chesterton, Hawthorne, Dickens, Washington Irving, Hans Christian Andersen, Robert Louis Stevenson, Max Beerbohm, Emily Bronte and many others.

A Literary Guild selection (at $3.30).

THE PICK OF PUNCH, edited by Nicholas Bentley; Clarke-Irwin & Co.; 176 pp.; $3.25.

"Humor, I have come to realize, is the only thing about which the English are utterly serious," writes Malcolm Muggeridge, the editor of Punch, in his foreword.

These gems, in writing and cartoon, will keep a prolonged chuckle in the throats of readers. English life and politics all come under the searching sarcasm of Punch.

THE FIRESIDE BOOK OF BASEBALL, edited by Charles Einstein; Musson Book Co., Toronto; 394 pp.; $6.95.

For the baseball fan, and for all who take an interest in the U. S. national pasttime, here is one of the best volumes of recent years. It's a collection of some of the best newspaper stories through the years, together with some of the outstanding fiction — more than 100 stories and articles in all, with photographs of the game's great and cartoons.

A real fireside book for the hot stove leaguers.

NORANDA; by Leslie Roberts; Clarke, Irwin & Co., Toronto; 223 pp; $5.

This is the story of the birth and development of a mining and industrial empire that is one of the most important facets of Canada's development. It is an important book because it shows how nature's obstacles are overcome in building this nation.

Essentially, Noranda is a history of **Noranda Mines, Ltd.**, from the first idea held some 30 years ago by Ed Horne that mineral wealth existed in that remote region of Quebec, through the development of vast copper mines in Gaspé in more recent years.

It shows how risk capital can be usefully employed to wrest mineral wealth that underlies Canada; and how it can bring civilization to areas once considered remote.

What was done by the men associated with Noranda Mines in its early days is being repeated in many other areas of Canada. The obstacles — geographic, economic, human—which must be overcome in opening up the North are immense. But Noranda proves that they can be overcome.

Leslie Roberts is a well-known Canadian author who has long enjoyed describing the development of this nation. The Noranda development is one which he saw from its earliest days. His obvious close familiarity with the efforts of the builders of this mining empire add an extra touch of interest to the book. Included in Noranda is a 16-page section of photographs showing the evolution of the company and maps illustrating how this former wilderness area was developed.

It is a foregone conclusion that everyone connected with Canada's mining industry will want to read this book. Unfortunately, the mining industry approach may tend to hold back interest of the general public, for Mr. Roberts spends what seems to be a few too many words in dealing with actual development of mines.

But between such sections runs a warm story of people, the traits and abilities that drove them in the rapid development of the Noranda Mines organization.

Mr. Roberts has written a valuable history of an important step in Canada's growth. It is recommended reading for all Canadians who should be made more aware of how and why their country grows.

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Mine Finding For Everyone

PROSPECTING IN CANADA by Dr. A. H. Lang; Queen's Printer, Ottawa; 353 pp.; $2.

If you're thinking of backing a prospector, this book is for you.

And it's also for you if you're a prospector, or if you just want to know about mining in Canada.

Into this volume, Dr. Lang put chapters on just about every possible phase — from elementary geology to appraising discoveries. "It's easy to find something," he warns. "The important thing is to be able to tell whether it'll be worth anything." Lang is chief of the Federal Government's Mineral Deposits Division.

Prospecting in Canada is the successor to two earlier editions (1930 and 1935) which were quickly sold out. It's new almost from cover to cover.

It's sprinkled with photos, drawings, some illustrations in color.

The chances of an unskilled person making an important discovery grow less each year, Dr. Lang says. That's because prospecting is now almost a profession.

The book doesn't pretend to provide all the answers, but it is a pretty thorough once-over of the field. And it has scores of references to particular authorities.

THE FLOOD, by Scott Young; McClelland & Stewart Ltd., Toronto; $3.50; 223 pp.

Few travelers would have recognized Winnipeg in the spring of 1950. Water covered much of the city, but a new spirit flooded the tightly knit community too.

Booted soldiers clattered through the Legislature Building, but there was no martial law. Clergymen and salesmen jostled in the sand bag gangs, to save a stranger's home.

Long lines of weary troops, schoolboys and businessmen built dikes foot-by-foot to beat the Red River's rise, urged on by pacing Highland pipers.

By night hoarse male choruses of "Red River Valley" drifted from the bagging gangs. Someone even composed a gay tune about St. Boniface's indefatigable city engineer: "They're dancing a Red River reel on the dikes tonight," the refrain said.

Scott Young has brought Winnipeg's great drama of '50 back to life in his latest novel. His plot is taut, lusty and reasonably believable. It fits the dramatic flood background.

Fiction fans will like it. Others with Winnipeg flood memories won't want to miss it.

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Roofing Firms Shape Up For Wood vs. Asphalt Battle

A battle for a $10-million slice of Canada's 1957 new homes building market is flaring up in Central and Eastern Canada. It marks the renewal of an old struggle between asphalt and wood roofing materials.

The contestants: Asphalt roofing manufacturers now estimated to provide between 80% and 90% of the materials for new home roofs, and the red cedar shingle producers in B. C. whose market strongholds are in B. C. and the Western U. S.

For some time competition and promotion among the asphalt companies — there are 11 major manufacturers in Canada — has been aggressive on an individual basis.

Now the Consolidated Red Cedar Shingle Association, aided by a cost-saving roof construction method, plans to break into project housing in the metropolitan areas of Ontario, Quebec and the Maritimes for the first time.

And this week, the association chalked up its first score in the Toronto area when it announced that **Curran Hall Ltd.**, developers of Curran Hall Park in Scarborough Township, would roof three of their model 1957 homes with red cedar shingles.

The model homes will be ready for inspection early next spring and will have a price range of between $14,000 and $16,000.

It's believed they will be the first project homes built in the area with red cedar shingles which have previously been largely restricted to custom-built houses.

Central and Eastern Canada represents more than 60% of the new housing market in Canada. This is how the association is planning to break into it to restore its wood products to popular use:

- By a major advertising campaign, backed by special displays at strategic centres.
- By personal promotion through local retail lumber dealers, trade associations and house-building firms.

One of the association's first steps in its promotion campaign will be to establish a display in the Building Centre, Toronto.

The association states it has demonstrated to Curran Hall a new type of basic roof construction offering a saving in construction costs, but which can be used only when red cedar shingles are specified. This has permitted the use of the shingles in project housing as distinct from custom-built homes without sacrificing other features or boosting costs.

The new method of roof construction, known as spaced sheathing, is reported to have proved very successful in B. C. and in the Western United States where the shingles enjoy a $30 million a year export market.

The principle has been approved by Central Mortgage & Housing Corporation for use in the Curran Hall development area.

Dorchester St. Home For Mtl. Income Tax

MONTREAL (Staff) — A new 10-story, $8.9 million building is to be erected next year in Montreal for the Federal Department of Public Works.

Construction contract has been awarded to Anglin-Norcross Corp. of Montreal. Completion date: January 1959. There will be 311 foot frontage on Dorchester St., approximately 140 feet on Bleury St. and 141 feet on St. George St.

The building will accommodate the regional staff of the Income Tax Division of the Department of National Revenue on the first eight floors. The division is presently located in at least three separate buildings in Montreal.

Space on the ninth and tenth floors will later be allocated to other Federal departments.

Architects are Lawson and Betts, Montreal.

New Shop Hub Will Be Biggest Yet In Sask.

From Our Own Correspondent

REGINA — The largest shopping centre in Saskatchewan's history will be built here next spring and summer on a 20-acre site immediately north of the new Hillsdale housing development.

Estimated to cost $2.5 million, shops, offices and other premises including a laundry, will cover an area of more than a million square feet. There will be parking space for about 1,000 cars.

The centre will be of the "cluster" type, rather than the "L" or strip type.

By the end of this year more than 300 houses will have been built in the Hillside area immediately south of the centre. It's proposed to build between 300 and 400 more next year.

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— Duties of this position will include responsibility for engineering and manufacturing, but the major emphasis will be on merchandising, advertising, and sales promotion.

— This position offers a bright future for the right man who is able to enlarge the company's share of the market in this fast moving industry.

— Basic salary will be in the range of $12,000 to $15,000 depending upon qualifications, plus additional attractive benefits.

If your experience and interests are in line with this description, please write to us, in complete confidence, giving full particulars:

STEVENSON & KELLOGG, LTD.,
4123 Sherbrooke St., West,
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— EXECUTIVE ASSISTANT —

3 years financial background, 1 year life insurance selling—well versed in management development, personnel, public relations — specialized knowledge of scientific salesmanship, economics, marketing—desires change with scope for RESPONSIBILITY, INITIATIVE, PROMOTING ABILITY.

Box 224, The Financial Post, Toronto

THE PROVINCE OF MANITOBA
requires a

RESEARCH ECONOMIST

for the Department of Industry & Commerce. Qualifications: This position involves highly technical research and requires applicants who have University graduation with post-graduate work in either economics or commerce.

Salary: $4560.00 — $5760.00 per annum. Full Civil Service benefits — three weeks' vacation with pay annually, liberal sick leave with pay and pension privileges.

APPLY TO:
Manitoba Civil Service Commission
247 Legislative Building,
Winnipeg 1, Manitoba.

ACCOUNTANT

Young man, between the ages of 25 and 30, **required by large progressive firm located in Montreal.** Sound knowledge of accountancy a requisite. Capable of preparing monthly financial statements. Excellent starting salary with good opportunities for advancement. Reply in writing to:

REDIFFUSION INC.
6301 Park Avenue, Montreal, P.Q.

SENIOR BUYER WANTED

For heavy apparatus plant in Guelph, Ontario, to assist Purchasing Agent in procurement of wide range of electrical components, steel, copper and insulating materials. Must have extensive buying experience.

Ideal working conditions in air-conditioned office. Employee benefits include liberal Pension, Health and Life Insurance plans.

Phone our Employment Office, EMpire 6-7311 for Toronto appointment, Saturday, December 1st,

OR write to:

CANADIAN GENERAL ELECTRIC COMPANY LIMITED
Guelph, Ontario

All replies will be treated in confidence.

OPPORTUNITY WANTED

JOURNALIST, ten years' experience, including coverage of Parliament, government departments and agencies, seeks change to writing job in industry or business. Prefer to work for firm whose future tied to country's growth and whose employees are encouraged to invest at least 10 percent of earnings in company stock. Married, homeowner, present salary $122.50. Further details

BOX 222, THE FINANCIAL POST, TORONTO

BUSINESS FORMS MANUFACTURER
Requires
SPECIALIST ON I.B.M. FORMS AND EQUIPMENT

To act as assistant to the Salesmanager in keeping sales force abreast of new developments in I.B.M., Integrated Data Process and other types of Business machine equipment. Location Toronto, some traveling, sales experience would be useful. Salary commensurate with background and experience. Good opportunity for advancement with an aggressive and expanding Company.

Box 216, The Financial Post, Toronto

INDUSTRIAL COMMISSIONER

WANTED FOR

HAMILTON DISTRICT INDUSTRIAL COMMISSION

Applications should be submitted in writing not later than December 10, 1956, stating background, experience and salary expected to Chairman, Hamilton District Industrial Commission, 15 King St. West, Hamilton, Ont.

EXCEPTIONAL OPPORTUNITY IN TAXATION FIELD

A progressive Western oil and gas company requires for its head office in Calgary, a chartered accountant or lawyer with a sound knowledge of income tax law and accounting principles as applicable to the oil and gas industry to undertake administrative control of the organization's income tax matters and problems. Salary commensurate with experience and ability. Comprehensive benefit plans available. Please apply in writing to

BOX 191, THE FINANCIAL POST, TORONTO

giving full particulars of education and experience.

STRUCTURAL STEEL DESIGNER

SALARY TO $10,000

Fine opportunity with engineering contracting firm. Duluth, Minnesota headquarters. Write outlining complete personal and professional history to

Mr. B. B. MAGEE,
Arrowhead Steel Buildings Inc.
Duluth, Minnesota

FORESTER AVAILABLE

B.C. Registered Forester with extensive background of experience in the following: Coast and Interior, Government and Industry, Woodlands Manager, Management Licence and Timbersale Acquisition. Also Supervision of Logging and Milling. Wishes change to progressive and economically operated company offering management advancement.

Box 212, The Financial Post, Toronto

SALES AGENT WANTED

Manufacturer of profitable hardware products including aluminum thresholds and weatherstripping with plastic, mail receivers of brass, bronze and aluminum, aluminum door ornaments, lawn signs, etc. seeks a representative for each Province outside Ontario and Quebec.
Sales are increasing 300% coast to coast through the best Wholesalers, Building suppliers and Department Stores.
If you are able to cover this market effectively, a large income is available.
Tell us about yourself, your experience, the products you handle and the coverage you could give.

ALMAG ALUMINUM & MAGNESIUM LTD.
345 Munster Ave., Toronto 18

AVAILABLE
MANAGER OR ASSISTANT MANAGER

4½ years' experience in wholesale business at all levels. 29 years old. Senior matriculation, textile engineering degree. Desires position with wider scope. All replies held in strictest confidence.

Box 211, The Financial Post, Toronto

GENERAL MANAGER
REQUIRED

By Saskatchewan Transportation Company operating a network of bus lines over the province. 52 buses in fleet with full maintenance facilities; Headquarters, Regina.

State fully: background, education and experience, including planning and control, maintenance supervision, industrial relations, sales promotion and public relations.

Address replies to: **T. A. Howe,**
1730 Scarth Street,
Regina, Saskatchewan.

BUSINESS OPPORTUNITY

Experienced foundry man wanted as working partner for non-ferrous foundry; $10,000 to $15,000 capital required. Present owner wishes to retire in the near future. Replies treated in strictest confidence.

Box 219, The Financial Post, Toronto

MANAGER, PRODUCTION PLANNING & CONTROL

Required by large metal manufacturing Company engaged in the production of automotive and aircraft components.
This position entails the direction and co-ordination of Production Scheduling, Stores and Materials Control, Tool Design and Methods. Applicants must have good background of experience in production management. This is a key position in our organization with opportunity for advancement.
All replies treated in strictest confidence.
Write fully, giving past experience, education, references, salary requirements and personal data.

Box 189, The Financial Post, Toronto

Financial Institution Requires Manager

for Toronto Office

The man we seek is presently earning between eight and ten thousand annually. He must be capable of organizing and directing sales force. He should be between the ages of 35 and 45. Reply giving outline of present or former employment and give details of business history along with references and photographs. Guaranteed annual salary ten thousand. Employment to begin February 1st, 1957. All replies will be held in strictest confidence. Our employees have been advised of this advertisement.

Reply to Box 217, The Financial Post,
481 University Ave., Toronto, Ont.

What's New

New products, new uses, new ideas, new money-makers. We report them here and invite your contributions. Write to 481 University Ave., Toronto.

Protected Chains

Rubber-cushioned tire chains feature snap-on, snap-off cross chains. Rubber roller acts as cushion for the chain preventing damage to the tire and holds the cross chain on the hook. Resiliency of roller permits easy removal of the cross chain, even when on the tire. New chains said to increase life of tire, ride smoother and give more traction.

Kills Killers

New antibotic recently introduced in Canada, is said to be more powerful than any other drug in combating infections caused by staphylococci, streptococci and pneumococci and to destroy bacteria which have developed immunity to previously used antibiotics.

Selective Ear Phones

Special earphones for industrial workers, are said to protect wearer from harmful noises and prevent loss of hearing. But they permit instant and clear communication even in the noisiest environment.

Quicker Crop Cutter

New forage harvester, about to be manufactured in Canada, employs new, simplified cutting method. Said to pick up, cut and load hay or silage at up to double the rate of conventional harvesters using only about one quarter the horse power. Also cuts crops cleanly in lengths that retain a greater amount of nutritional value. Fewer working parts makes maintenance easier.

Radiation Checkup

Employees exposed to nuclear radiation can get a quick checkup as they leave the working area to see if they have been contaminated. New instrument makes an immediate head to toe check as the worker passes by.

Stretchable Paper

Right-hand margins on original copy for offset printing can be lined up without retyping, if new stretchable paper is used. Paper, which has a flexible base, is cut into strips. When typing is completed, typist can lift any short lines and stretch them to make the right margin straight.

Phone Timer

As a reminder to keep telephone conversations short (especially if they are long distance calls) there's a novelty Swiss watch that clamps over the centre of the phone dial. The watch, which runs for 30 hours, has a second sweep hand and luminous figures.

Patches Plastic

New liquid patching material seals up tears in vinyl plastic items such as shower curtains, garment bags, etc., in about ten minutes, it's said.

Shipping Sea Signal

Leak detector for motor boats, sailboats, etc., sounds an alarm when it's time to pump or bail. Consist of moisture-sensitive electronic grid that closes an electric circuit when in contact with water. Contained in a metal box, the detector is placed in the bilge. Alarm does not sound when there is a normal amount of water there, but only when the water reaches and remains at the same level as the box.

Protects Paper

Austrian firm announces new process for easy coating of paper. Process permits transparent coating of printed paper, maps, etc., so that coating foil can easily be removed with the print indelibly attached to the foil's back.

Moveable Motel

A portable motel, that can be placed on one side of the highway on Fridays and the other side on Sundays, or moved from place to place as traffic habits change has been built in the U. S. Measuring 40 feet by 12 feet the fully air-conditioned structure is made of stainless steel with redwood exterior. Contains two full-sized bedrooms with complete modern bathrooms. Walls are of Formica; floors vinyl tile. Can be moved on a low-bed trailer.

New Catalogue

H. S. Hunnisett Ltd., Toronto, manufacturers of quality soap and wax base products and distributors of sanitation and building maintenance equipment, have published a 24-page catalogue describing the company's full line of products and containing a complete price list. The well-illustrated booklet gives detailed descriptions of the various items to facilitate selection.

KENNETH S. FORD

formerly industrial commissioner for Hamilton and district has been appointed co-ordinator of industrial development for Calgary, effective Dec. 1.

Savings For Both In Regent-McColl Share Exchange

MONTREAL (Staff)—Acquisition of **Regent Refining (Canada) Ltd.** by **McColl-Frontenac Oil Co.** should mean economies for both.

The way was paved for the share-exchange offer when **Texas Co.** recently acquired **Trinidad Oil,** a major British company, whose assets included majority interest of Regent Refining. Texas Co. controls McColl-Frontenac.

McColl is fully integrated, with refineries in Montreal and Edmonton and increasing crude production interests in Western Canada and Trinidad. Regent operates mainly in Ontario. Here is how the deal works:

McColl has an authorized capital of 4,975,526 shares of which 2,607,963 shares are outstanding, while Regent has an authorized capital of three million shares of which two million are outstanding. If Regent shareholders turn in all their shares for the exchange, it will involve issuance of 631,578 McColl shares from the treasury.

Regent shares, possibly in anticipation of a proposal, sold up to a high of $26 in late August (low this year $10½). This week they were back down to $16¾, from $23 prior to the news. McColl has been selling around $60 (high $67½, low $41¾).

MANAGED INVESTMENT

MacNab Decides To Keep His Good Grade Stocks

MacNab's manager sees no reason to adopt any large-scale portfolio selling as some people have resorted to in the continuing stock market slump.

He has been holding on to his client's good stocks until the U. S. political picture and the international situation have become clearer.

In the month ended Nov. 15 the total value of the account declined by $1,200 to $35,700.

MacNab's Manager Says:

Due to international tensions still prevailing which have materially affected stock markets, the value of your account has declined from $36,929 on Oct. 15, to $35,738 on Nov. 15.

I have seen no reason to adopt any large-scale selling program in your account up to this point and have, therefore, maintained a policy of holding on to good stocks pending some definite clarification of the Suez Canal situation, as well as the outcome of the U. S. presidential election.

Since the last monthly report on your account, I have subscribed to 10 new shares of B. C. Telephone Co. at $38 each, in accordance with the offering of rights to ordinary shareholders of record, Sept. 28, which expired on Oct. 24. This increases your holdings to 70 shares. In order to provide funds for this transaction, I have sold 10 shares of Aluminum Co. of Canada 4½% second preferred at $47, and enclose herewith a statement of this transaction for your records.

No. of Shares	Purchase	Price Per Share	Net Amount	Indicat'd Income
10	B. C. Tele.*	38.00	380.00	20.00
10	Aluminum Co. 4½%† pfd.	47.50	470.80	45.00
10	B. C. Tele. rts.*	1.30	11.00	....

Note: Cost includes commission.
*Oct. 19. †Nov. 15.

As a result of recent increases in dividends paid on the common stocks held in your account, the total estimated annual income is now $1,496 at current dividend rates, which represents an average yield of 4.19% at current market prices and a yield of 14.96% on the original $10,000 handed to me for investment 12 years ago.

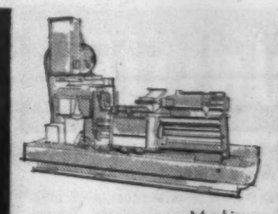
Investment income in the month ended Nov. 15 amounted to $10. After the usual monthly withdrawal of $40 and the expenses in connection with the recent portfolio changes there was a cash balance of $193.

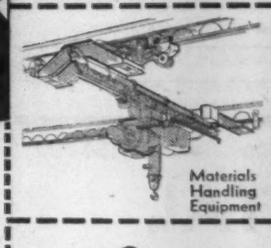
MacNab's Account Now Stands:

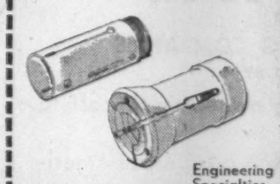
No. of Shares	Common Stocks	Cost per Share $	Mkt. per Share $
40	Abitibi	25	34⅛
70	B.C. Tel. ord.	35.86	45
100	CPR	23.85	31⅛
50	C. Min. and Smelt.	31	29½
50	Distill. Corp-Seag.	30.85	31
50	Inter. Utilities	21½	49½
20	Noranda Mines	34.44	57
70	Powell River	31.13	45¼
40	Howard Smith	21¾	38⅝
50	Sicks Breweries	28½	22
50	Dom. Fdries. & Stl.	26.80	29½
30	Hir. Walk. G.&W.	51½	65¼
70	B.C. Power	35.79	43½
50	B.A. Oil	40.45	47
20	Bank of Montreal	50	52
20	Falconbridge Nick.	39	36½
	Preferred Stocks		
50	Acadia Atl. Sug. A	17¾	20
40	Al. Co. of Can. 4½ 2nd pfd.	51¼	47½
	Conv. Corp. Bonds		
$1000	CPR 3½%/66	100	94½
$1000	Dom. Stl. & Coal 4%/61	100	98
	Market Value		35,545.00
	Cash		193.19
	Total Value		35,738.19
	Original Amount Invested		10,000.00
	Capital gain		25,738.19
	% capital gain		257.38
	Annual Income		1,496.00
	% Yield on orig. Investment		14.96
	% Yield on market value		4.19

PROFITABLE PRODUCTION begins with *fine* PRODUCTION TOOLS

Whether its a collet for an automatic or a transfer machine for the automotive industry; a grinding wheel or a lift truck; production men in Canadian industry know that equipment supplied by J. H. Ryder Machinery Co. is the finest available.


Machine Tools


Materials Handling Equipment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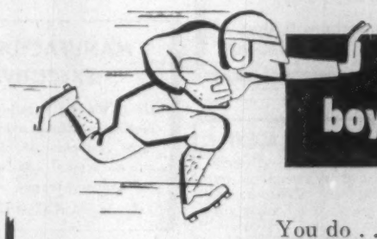


Do you send a boy on a man's job?

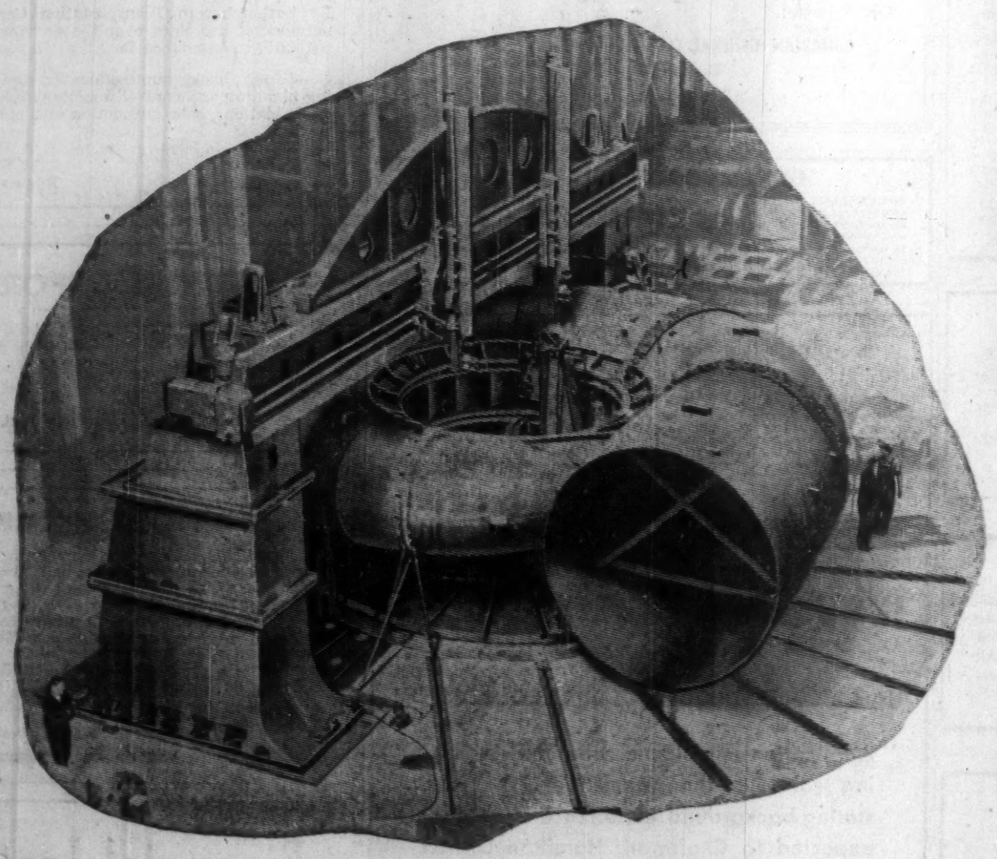
You do . . . if your are sending out cheap-looking envelopes and expect them to make favorable impressions for you. Have you thought that your customer likely gives his attention first when he opens the mail to the letters that *look* important in his pile of mail? Are yours placed at the bottom of the pile? The difference in cost between cheap-looking and distinctive envelopes is extremely small in comparison with the prestige you gain. Let us give you all the facts.

Your letters are the wings of your business. Demand the quality of an envelope made by . . .

Bowier ENVELOPES LTD.

QUEBEC . . . CARTILE-HUME LIMITED 5810 des Ecores Boulevard. Montreal . . . GR. 9317

250 BOWIE AVENUE: TORONTO 10, Division of Canadian Pad & Paper Co. Ltd.,



The Biggest Swing in Canada 52 feet in diameter!

This 42/52 Boring Mill was specially designed and produced by Dominion Engineering to machine parts which were so large physically that they could not be worked with existing equipment.

Flexibility of operation was the keynote of the design. A machine was needed which would be capable of meeting current needs, yet sufficiently adaptable to handle outsize machining jobs and future technological advances in metals and machining procedures.

Thus, the table can carry a work piece of 200 tons and is driven by electronically controlled, variable speed motors with a power potential several times the normal requirement. Inside or outside surfaces can be machined by rotating a work piece on the table with the tools mounted on the cross rail in the conventional manner or by mounting the *tool posts* on the table to machine the work piece which is fixed to the floor rails.

Variations can be made in setting and operation of the mill to swing and machine work pieces having diameters up to 52 feet and depths to 18 feet. Modifications can be made in order to machine depths in excess of the present cross rail clearance.

The result? Dominion Engineering Company has among the many special facilities of its 56-acre plant, one of the largest and most versatile boring mills on the North American continent.

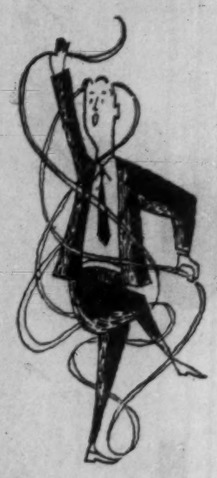
Some Products Made by Dominion include:

PAPER MAKING MACHINERY
HYDRAULIC TURBINES, PUMPS & VALVES
DIESEL ENGINES - MINING MACHINERY
ROLLING MILL MACHINERY & ROLLS
RUBBER & PLASTICS MACHINERY
POWER CRANES & SHOVELS
SPECIALLY DESIGNED HEAVY INDUSTRIAL EQUIPMENT

DOMINION ENGINEERING COMPANY LIMITED

MONTREAL · TORONTO · WINNIPEG · VANCOUVER

All Tied Up With Business?



Untangle All Your Christmas Problems at

pierce-caldwell

94 Bloor W. - WA. 1-7327

U.S. Firm Buys Interest In Anthes-Imperial

James B. Clow & Sons, Inc., Chicago, has purchased a $375,000 interest in **Anthes-Imperial Co.,** St. Catharines, Ont.

Anthes-Imperial issued 15,000 common treasury shares to the U. S. firm at $25 per share. Stock has recently been trading around $25. At Sept. 30 there were 100,000 common shares outstanding of the 200,000 authorized.

Anthes-Imperial and Clow recently concluded an agreement whereby Clow will provide company with details on present and future equipment used in its U. S. operations. Clow will also provide technical assistance and personnel training for company's new Calgary plant, announces D. G. Willmot, president of Anthes-Imperial.

New plant will manufacture cast iron water (pressure) pipe by the DeLavaud process which is used by Clow.

Construction is now under way and production is expected to begin in the fall of 1957. Operations were originally scheduled for early 1957 but building was delayed principally due to structural steel shortage caused by the recent U. S. steel strike.

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INLAND CHEMICALS CANADA LTD.

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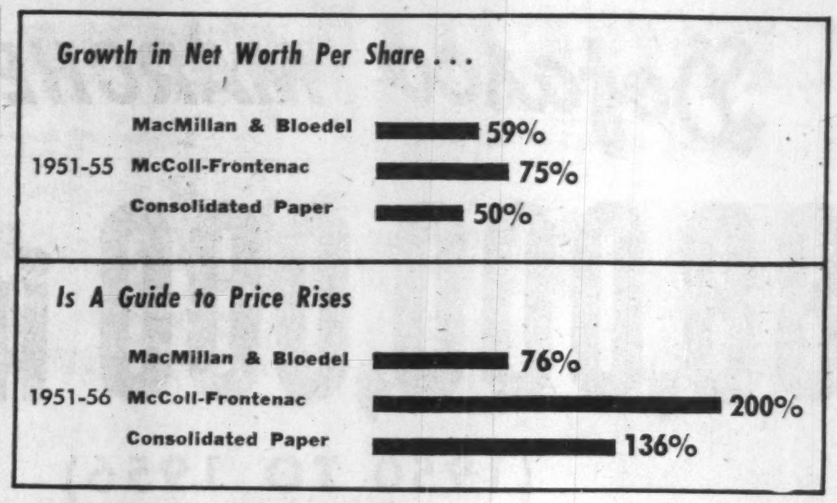

INVESTMENT — IN PRINCIPLE AND PRACTICE

Yardstick For Growth

Net Worth Unreliable Figure, But Changes Give Clues

By Pathfinder

Author of this special Post series on investing is one of Canada's prominent investment counselors. Daily he is dealing with a wide variety of investment problems and the principles used apply to both big and little sums of money.

Faced with the problem of assessing the value of a small business most investors proceed logically and confidently.

If one third interest in a hot dog stand is for sale for $1,000, the first step is to multiply the 1/3 share by 3 to obtain a total value for the business of $3,000. The second step is to find out if this business is worth $3,000 and two approaches are open:

1. Is the stand, equipment, etc. (the net assets or net worth), equal to $3,000?

2. Is the return to the owners sufficient to justify the investment of $3,000?

Is it possible to apply this simple, concise approach to that ever present problem of determining value when buying shares of larger companies (common stock) listed on the stock exchanges?

Actually the earnings approach to value is well known. The return to the owners is measured by earnings per share, and the price, in relation to these earnings, forms the frequently used price to earnings ratio (FP April 21). Moreover the actual return to shareholders is that portion of the earnings paid out in dividends, which in relation to the price, gives that other well known yardstick, the yield (FP March 31).

However, when the average investor comes to the problem of asset valuation, his troubles begin. A figure of net worth per share is readily available from the balance sheet of the company. From the total tangible assets is deducted all debt and preferred stocks, to give a figure for net worth. Divide this figure by the number of shares outstanding and the net worth per share is obtained.

This figure used to be the most significant one for the early merchants, and still is for many small businessmen today. It represents the net amount of money put into the business by the owners.

Unfortunately in larger companies this figure of net worth per share loses all pretense of reality. Most of the gigantic plants are essential stages in long productive processes. Take them out of their specialized place and they would be of little value.

Moreover, price levels change quite significantly. Yet there is no change in the balance sheet item of assets and so no alteration in the net worth per share.

For example, if a large downtown department store bought its land several decades ago, and built its present building 20 years ago, its balance sheet would show a few thousand dollars for land and perhaps $200,000 for the building. Today the land has a market value of well over $1 million and the building is probably worth just as much. Therefore, its net worth per share, based on original cost, would be meaningless in relation to today's market values.

It is for reasons such as these that most investors overlook or disregard the net worth per share in valuing the stock of a large company.

Perhaps these investors are too hasty in discarding an investment tool that is so helpful in smaller enterprises.

The first way this figure can help is the comparison between net worth and price per share.

Normally the price exceeds the net worth, but if the opposite is the case, then the stock merits investigation to find out why. Perhaps net current assets (working capital) make up a large proportion of the net worth of the company. These assets, being cash or close to cash, have a very real market value.

If these net current assets on a per share basis exceed the price, then in theory the company can be wound up with a profit to the shareholders even if the fixed assets are worth nothing. In practice, such an abnormal situation would indicate the price of the stock is well below normal value.

A good example is the stock of **Penmans Ltd.** whose 1955 annual report showed net current assets of over $100 per share when the stock was selling for $25.

Measure of Efficiency

The second way the net worth is an aid to investors is that it gives a measure of efficiency.

Profits to be meaningful must be measured against some figure. Net worth qualifies in this regard because it represents the owner's money in the business and it is relatively stable.

The actual per cent earned on equity (net worth) is not important because one company may have assets acquired recently at high prices (high net worth) and another whose cost of plant dates back 50 years. However, the consistency of earnings on net worth give a valuable insight into the quality of the stock.

An indication of this quality comparison is evident in the following table showing (A) a heavy machinery company, (B) a paper company and (C) an oil company.

Earnings as a % of Net Worth

	A	B	C
1951	15	15	9
1952	19	19	10
1953	24	10	11
1954	13	7	11
1955	11	8	13

The third way in which net worth per share can guide the investor is the comparison of the trend over the years.

A company which is adding to its plant should be adding to its profit-making potential. Therefore, companies with a steadily increasing net worth per share are growing companies and the market price of the shares should be appreciating in value.

The accompanying chart illustrates three stocks, **MacMillan & Bloedel B, McColl-Frontenac** and **Consolidated Paper,** all of which have increased their net worth per share substantially over the past five years. The market level of their shares has paralleled this growth.

Thus a true growth stock has at the top of the list of qualifications: steadily increasing net worth per share.

This is a general rule and, of course, there are exceptions. Perhaps a company's expansion is not profitable so that increased net worth per share is of no value. Or a company may increase its net worth but because of stock bonuses or the sale of stock at low prices (through a convertible bond issue or similar financing) it may not increase the net worth **per share.** This is called dilution of capital and it is often typical of companies forced to grow too quickly.

In summary, the net worth per share is more of a tool available to help investors rather than a direct influence on the prices of stocks.

In the short run, earnings and dividends per share have a much greater influence.

But the net worth per share taken both as a test of the quality of earnings and as a measure of growth, can give the investor a much better understanding of the essential characteristics of the company.

A steady growth in earning assets, as reflected in net worth per share, is a remarkably consistent omen of a higher price per share.

ANNOUNCEMENT

ELECTION OF J. B. MORGAN AS A DIRECTOR

F. O. Peterson, Chairman, announces the election of Mr. J. Bartlett Morgan as a Director of the B. J. Coghlin Co. Limited and of its subsidiary company, Watson Jack-Hopkins Limited. Mr. Morgan is President of Henry Morgan & Company Limited and a Director of a number of other corporations.

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Estate Analysis — Succession Duties — Business Insurance
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815 University Tower Building
MONTREAL UN. 6-8731

MORT. L. LEVY, C.L.U.
THE IMPERIAL LIFE INSURANCE COMPANY OF CANADA
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THE CANADIAN BANK OF COMMERCE

HEAD OFFICE - TORONTO

CONDENSED STATEMENT AS AT OCTOBER 31, 1956

ASSETS

Cash Resources (Including items in transit)		$ 392,485,511
Government and Other Securities, not exceeding market value		653,636,675
Call Loans		155,093,865
Total Quick Assets		$1,201,216,051
Loans and Discounts		1,069,285,025
Mortgages and Hypothecs insured under the N.H.A., 1954		89,444,382
Customers' Liability under Acceptances, Guarantees and Letters of Credit, as per contra		31,531,892
Bank Premises		24,697,925
Other Assets		18,739,029
Total Assets		$2,434,914,304

LIABILITIES

Deposits		$2,279,097,420
Acceptances, Guarantees and Letters of Credit		31,531,892
Other Liabilities		11,494,355
Shareholders' Equity		
Capital Paid Up	$37,500,000	
Rest Account	75,000,000	
Undivided Profits	290,637	112,790,637
Total Liabilities		$2,434,914,304

STATEMENT OF UNDIVIDED PROFITS

Year Ended October 31, 1956

Balance of profit for the year before provision for income taxes but after making transfers to inner reserves out of which full provision has been made for diminution in value of investments and loans	$15,123,807
Provision for income taxes	7,232,266
Balance available for distribution	$ 7,891,541
Dividends	5,999,996
Amount carried forward	$ 1,891,545
Balance of undivided profits October 31, 1955	1,399,092
	$ 3,290,637
Transferred to Rest Account	3,000,000
Balance of undivided profits October 31, 1956	$ 290,637

JAMES STEWART, PRESIDENT — N. J. McKINNON, GENERAL MANAGER

50% OF ADVERTISING BUDGET IN DAILY NEWSPAPERS

Over $5.6 million has been invested in the past 10 years to advertise and promote the Admiral name in Canada

Upwards of 50% of this has been in daily newspapers. In that period of time, sales have reached $150 million. In addition to playing a prime part in moving a huge volume of merchandise, the Admiral brand has advanced from comparative obscurity to its present standing.

This year $1.1 million will be spent on the Admiral brand —an increase of 5% over 1955. Up to 70 daily newspapers will carry two-page spreads, full page and half-page ads to promote TV sets, refrigerators, ranges, radios and phonographs.

The agency handling the Admiral Account is Locke, Johnson & Company Limited

CANADIAN DAILY NEWSPAPER PUBLISHERS ASSOCIATION

55 University Avenue • Toronto 1, Ontario • I. H. Macdonald, General Manager

P-4791

Dofasco MARCHES ON!

$88,000,000 invested

(1950 TO 1956)

in the future of Canada

Yesterday a vision . . . now a reality. The vast expansion and development programme launched by Dofasco in 1950 is close to completion. Representing an investment of 88 million dollars, this achievement is the strongest testimony to Dofasco's faith in Canada — and a giant stride toward Dofasco's ultimate goal — which is Canada's self-sufficiency in steel!

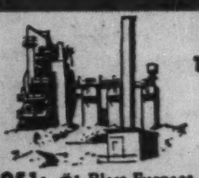
DOFASCO'S #2 BLAST FURNACE on Hamilton's waterfront has been formally "blown in" . . . bringing increased production at Dofasco and an ever greater contribution to Canadian industry.

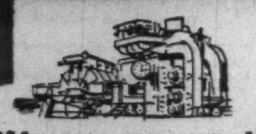
#3 Oxygen steel-making furnace doubles our Oxygen Steel Ingot capacity.

Dofasco
CANADA'S PIONEERING STEEL PLANT

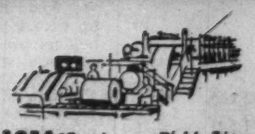
33-5606

a record of progress


1951: #1 Blast Furnace

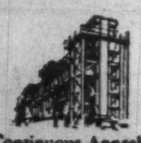

1954: 4-Hi Hot Rolling Mill

1954: Oxygen Steelmaking Plant


1954: Continuous Pickle Line

1955: 56" Cold Reducing Mill

1955: Continuous Galvanizing Line


1956: #2 Continuous Annealing Line

1956: #2 Electrolytic Tinning Line

1956: #2 Temper Mill

1956: #3 Oxygen Steelmaking Furnace

1956: New 2-Hi Roughing Mill

DOMINION FOUNDRIES AND STEEL, LIMITED, Hamilton, Ontario, Canada

The Financial Post

Vol. L | Member of Audit Bureau of Circulations | Publication Office: Toronto, December 1, 1956 | Twenty Cents an issue, Six Dollars a Year | No. 48

Empire Afloat

The story of Saguenay Terminals, our ocean-going colossus

Out of Canada's booming aluminum industry has emerged a new business which:

- **Operates more than 100 ships;**
- **Will modernize its fleet with 17 fast, modern freighters;**
- **Has its own ship-designing section;**
- **Aggressively goes after business all over the North Atlantic and Caribbean;**
- **Goes out of its way to help smaller Caribbean countries develop trade with Canada.**

Here is the story of Saguenay Terminals Ltd., one of the world's biggest dry cargo carriers.

By ERIC RICHTER

Charting its course in the wake of the swiftly expanding aluminum industry, Canada's lusty, young shipping line, **Saguenay Terminals Ltd.**, is heading for a yet more prominent role in international ocean commerce.

As the good right shipping arm of its parent company, **Aluminum Co. of Canada**, Sagterms is riding high on the crest of Alcan's phenomenal expansion in aluminum smelting capacity.

To feed Alcan's growing east and west coast Canadian smelters, Sagterms in the next two and one half years will take delivery of 17 new vessels, built to its specifications.

More new vessels will likely follow as Alcan steps up its smelting capacity to over 1 million tons of aluminum ingot per year by 1960.

The new ships will not mean a numerical increase in Sagterms' fleet. In fact, by 1958-59, it may even be slightly smaller than the current 101 vessels.

But the new ships will be larger and faster. They are part of replacement program begun several years ago and designed to make Sagterms' ships, on the average, 40% faster and 20% larger. About 12,000 tons deadweight and 15 knots will be par for the course in 1959.

A sign of things to come: by 1960 it is estimated that Sagterms will carry approximately four million tons of raw materials annually for Alcan's smelters to support an ingot capacity of 1 million tons. By way of comparison, in 1956, Sagterms will have transported three million tons of raw materials for a smelter capacity which by the year end will be about 760,000 tons annually.

The key to Saguenay Terminals' operation lies in the transportation of bauxite — the ore from which aluminum is produced — and bauxite's semi-refined chemical derivative, alumina.

The bauxite trade by virtue of geographical location of the mines, is a one-way freight proposition.

Having transported bauxite and alumina, from British Guiana, Jamaica and the Los Islands, French West Africa, to Alcan's smelters, Sagterms must find pay loads for its vessels on the return voyage or send them back in ballast.

To get its ships back to Mackenzie, Br. Guiana — the principal port where bauxite is loaded — Sagterms first established liner services with various itineraries from Eastern Canada to the Caribbean, thus avoiding the dead loss of a ballast run.

After discharging at Port Alfred, Que. (unloading point for eastern smelters) vessels are put on berth for Venezuela, Puerto Rico, Haiti, Dominican Republic, Cuba, Jamaica, Curacao, the Canal Zone and British West Indies and thus ultimately work their way back to British Guiana.

As Alcan's raw material requirements continued to expand, it was found that Canada/Caribbean cargo available could not fill all the tonnage arriving at Port Alfred.

Consequently many vessels had to start returning south by far more devious routes, some sailing back in ballast.

New Routes Charted

Slower ships tramp their way back, picking up and carrying bulk cargoes en route. Faster, more modern vessels are employed in the "triangle trade" — an operation reminiscent of the days of wooden ships and iron men when vessels carried rum to the Gold Coast, transported slaves to the West Indies and Southern U. S. and picked up sugar for the north-bound run.

Sagterms' 20th century version of the triangle route — less adventurous though eminently more respectable than its forerunner — is none the less an exceptional modern shipping operation.

The route comprises two liner services: one from Eastern Canada to the U. K. and Northern Continent; the other from the U. K. and Northern Continent to the Caribbean.

Flour, grain, hides, asbestos, fish, lumber, steel, newsprint, automobiles and aluminum ingot form the major part of cargoes carried from Canada to the U. K. and Continent. Manufactured products such as steel, cement, automobiles and household goods are carried to the Caribbean on the second leg of the route while bauxite, of course, is transported north-bound to Port Alfred to form the third side of the triangle.

Into this pattern a new problem was injected by establishment of Alcan's smelter at Kitimat in British Columbia. To feed this smelter, Sagterms must transport alumina from Port Esquivel, Jamaica, through the Panama Canal to B.C.

Accordingly, a Canadian intercoastal line from Montreal and Eastern Canadian ports to Vancouver and Kitimat and return was established. This line has the dual function of serving Alcan's west coast interests and at the same time providing Canadian shippers with a service between the two coasts.

These ex-Canada shipping operations which complement the bauxite and alumina trades have been a boon to this country's shippers and producers alike. Canada, fourth largest per capita trading nation in the free world (she ranks behind the U. S., Great Britain and Germany) has exports that consist largely of low-cost commodities such as raw materials, foodstuffs and semi-finished products. As freight plays a large factor in the landed cost of such items, economical freight rates are of prime importance to Canadian producers if their products are to remain competitive in foreign markets.

Existence of Saguenay Terminals' vast outward cargo capacity (presently 900,000 long tons) has undoubtedly helped to keep ocean freight rates in line — at least in the areas where Sagterms operates.

As the company is not a member of the Canadian-United Kingdom Freight Conference — an organization of shipping lines which sets ocean freight rates for its member companies — Sagterms makes its own rates based on its own operating experience, relative merits of the commodity involved and similar factors.

Unlike most independent or non-conference carriers, Sagterms does not underquote the Conference rate by a set percentage. While some of its rates are lower, others are the same as those of the Conference.

Sagterms claims that were it not in the shipping business, a good many Conference rates would be considerably higher than they are at present. The line reports that in numerous instances it has dropped rates on various commodities below the Conference level, only to have the Conference follow suit in short order.

Canadian shippers should further benefit from the increase in Sagterms' capacity necessitated by Alcan's expanding raw material requirements.

With more ship capacity to position for general and bulk cargoes out of Canadian ports, Sagterms will be beating the bushes even harder for revenue-producing cargo and in all probability competition will be even keener.

This doesn't mean that the line will be giving shipping space away by 1960, company officials hasten to point out.

"We set the rates on any commodity on a level at which we feel it will be financially worth our while to transport the item. Make us a proposition and we'll quote you a rate", one official explained.

Though Sagterms and the Conference have conducted sporadic skirmishes in the past, an era of peace — though possibly an uneasy peace — exists at present.

Effect of the Seaway on Sagterms' operations is still doubtful. While the line will undoubtedly make some shipments (principally aluminum ingot) inland, it is not now believed large numbers of Sagterms vessels will use the waterway.

International Salesmen

Because Sagterms is continually in quest of more bulk and general cargoes with which to complement its bauxite operations, the line is vitally interested in increasing trade between the areas it serves.

If the company's trade development department thinks it can find a new market for a Canadian manufacturer, it endeavors to find suitable agents abroad. By the same token it will assist foreign firms to find representatives and buyers in Canada. The department receives numerous enquiries per week on a wide range of topics.

Some ask advice on marketing of products —how they should be packed, what customs regulations and duties are, trade credit terms and the like. Other companies ask Sagterms to secure agents for them in specific areas or to determine the acceptability of a product in a given area.

Because Sagterms' actual problem is getting its ships back to the Caribbean where most of the bauxite is produced, the economic problems of that area hold a compelling interest for the line.

Most countries in the Caribbean are faced with the same problems in varying degrees — large population, dwindling resources, lack of communications and one-crop economies.

In addition to fruits and vegetables grown locally, the diet of the area consists chiefly of fish, flour and milk (both powdered and canned), imported for the most part from Canada. Because Canada buys little in return a major balance of trade problem results in a number of the Caribbean countries.

Haiti, for example, until recently imported $3 in Canadian merchandise for every $1 worth of Haitian products sold in this country.

Several years ago Haitian importers came knocking on Sagterms' door. If a more equitable exchange of trade could not be developed, they would have to buy elsewhere.

The shipping line sent an expert south to study the problem, interview businessmen, examine the prospects of serving small outports as well as Port-au-Prince so as to ease the island's transportation difficulties and examine the possibility of opening a northbound service from Haiti to Canada so Haitians could ship directly to Canada rather than having to trans-ship by rail from U. S. ports.

Sagterms also told the Haitians it would help them sell in the Canadian market by contacting buyers for them here, but added that a personal selling job in this market was really required.

In due course — and on very short notice — a Haitian trade mission arrived in Montreal, Sagterms fell heir to the job of public relations agent, shepherding the mission through interviews with provincial and Federal Government officials and importers. It got the Haitians in television and radio shows and beat the publicity drum for a trade exhibit of Haitian handicrafts which played in Ottawa, Montreal, Quebec City and Toronto.

First direct result of the mission was inauguration by Sagterms of a northbound service from Haiti to Eastern Canada. Both the mission and the northbound service appear to have paid off. Sales of Haitian products in Canada are improved considerably, Sagterms officials report with pride.

Another facet of the Sagterms story is its passenger business. With accommodation for a total of 250 persons on 30 of its ships, this sideline is fast becoming a tidy revenue source for the company.

The line will, for example, offer you a 35 day round trip to the Caribbean and back to Montreal for $450-$525 depending on accommodation or a 12-day Montreal to U. K. via Port Alfred voyage at $125-$190.

For those who don't have the time for a round trip Caribbean cruise there's a package deal whereby you travel down by ship and fly back via KLM.

For those with plenty of time to spend, Sagterms offers the full triangle trip — stopovers allowed — at $560-$650. It takes about 55 days if you don't stop over.

Design Their Ships

Though a comparative youngster in the shipping game, Sagterms has already made several important contributions in the field of ship design.

As the line is a highly specialized carrier, it has problems peculiar to its own operations. Sagterms, accordingly, has established a ship design section to determine what advantages and economies could be achieved in building ships to suit its own requirements.

Out of this have evolved three types of vessels, designed from stem to stern by Sagterms as well as a host of modifications in, and for use with, conventional ship designs.

The "Sunrip" type — a combined bulk and general cargo carrier — makes use of hinged steel grain fittings. These fittings are swung into place for the transportation of alumina or other bulk cargoes as required and can be folded back out of the way when general cargo is being transported. Though the cost of these fittings cannot be readily determined because they are an integral part of the ship, Sagterms reports that the advantages resulting from their use are "overwhelming."

A further modification of this design allows utilization of a larger part of the ship's internal volume for grain and will be incorporated in new, larger vessels.

The "Sunbreeze" type — a straight bulk carrier — is intended solely for carriage of bulk cargoes and is designed on the relatively simple lines of an oil tanker. The ship has but one deck and grain, for example, is restrained by two longitudinal bulk heads.

The "Sunbrayton" type — a bauxite ore carrier — is more or less a standard ore carrier type with a long central bauxite compartment with wing tanks for transportation of oil cargo on the return voyage. Because of the single rectangular central compartment with large clear hatches, this vessel can be loaded and unloaded more easily and more quickly than conventional cargo ships. Bulldozers can work from one end of the cargo space to the other without having to be shifted from one hatch to another by the ship's cargo booms. There is also the advantage of a pay load of oil on the return voyage.

How Sagterms Started

Origin of the line goes back to 1904 when La Compagnie Générale du Port Chicoutimi was incorporated to build and operate wharves at Port Alfred to serve the Saguenay district.

Alcan, in 1925, selected Arvida as the site for its aluminum smelter and chose Port Alfred, only 18 miles distant, as its deep water terminus. Accordingly it purchased La Compagnie Générale and in 1929 renamed it Saguenay Terminals Ltd.

It was not until 1939, however, that Sagterms ventured into the field of ocean commerce proper. At that time the company purchased three small ships and split its operations into two divisions.

Sagterms' Port Alfred division, as the name implies, was established to carry on the original business of owning and operating wharves, warehouses, sheds, loading and unloading facilities etc., at Port Alfred.

The Demerara Saguenay division, on the other hand, was formed to own or charter and operate Sagterms' fleet.

Shortly following the outbreak of World War II, Sagterms' three-ship fleet was requisitioned for the war effort. Subsequently the U. S. War Shipping Administration began allocation of all ships and Sagterms was assigned vessels up to 1946 when the administration was disbanded. At times during the war, the shipping line was operating fleets of up to 100 vessels.

In 1946 the rebuilding of Sagterms' fleet began in earnest; two of the original ships had been sunk in the war. The line acquired three ships from the crown and chartered four others.

In all, Sagterms now owns twelve ships while the remainder are acquired through time or bareboat charter. All of the 17 new additions are chartered and the line does not anticipate owning any further ships provided, of course, the relative cost of chartering does not materially change.

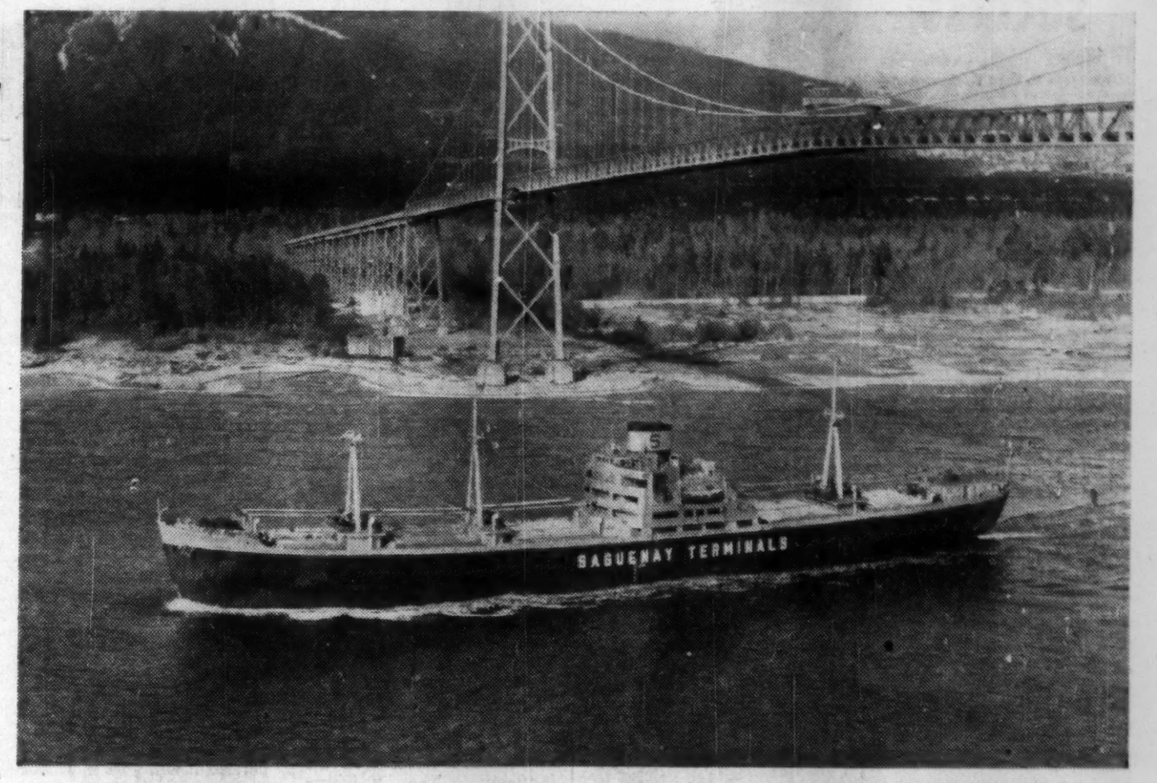
The reasons are twofold.

One is a sheer matter of economy. At present Sagterms can have a ship built to its specifications and charter this vessel from the owners at a lower cost (in the long run) than if it built and owned the vessel itself.

The other reason is, as one company official put it, "We don't want to chase every cat up every alley." By chartering vessels, particularly from owners in areas where the line operates, Sagterms is able to help the economies and the trade balance position of these countries.

The 17 additions which Sagterms will take delivery of in the next two and one half years will help increase the average size per ships as well as the speed of the line's fleet. Only two are of 8,500 tons size; 10 are 12,800 tons while five range from 15,000 to 16,000 tons (all in terms of deadweight capacity).

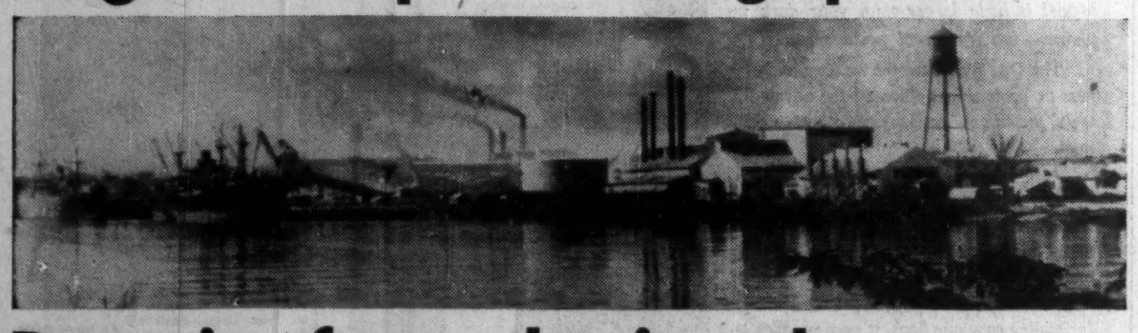
Sagterms, accordingly, is well on the way towards bettering its current boast of sailing "a ship a day" from Canadian ports.



Trim ships under Canada's flag

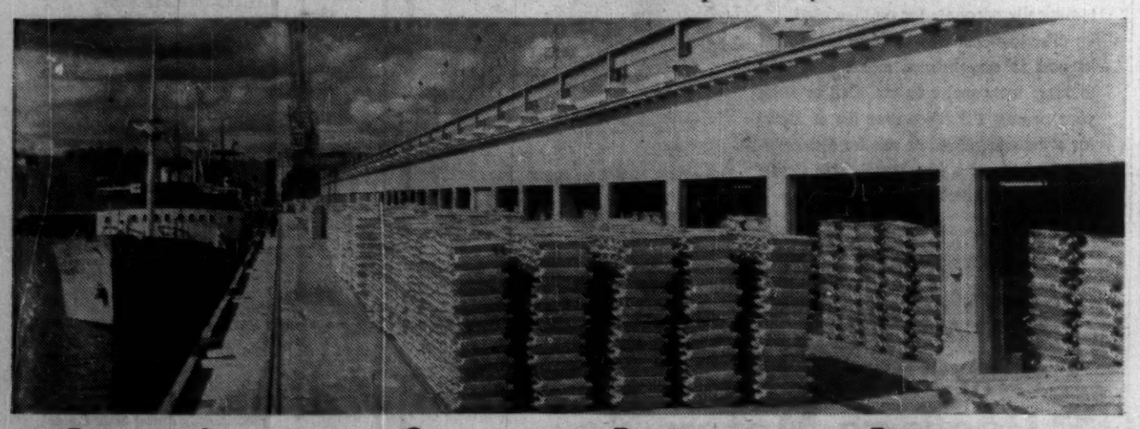
Sagterms' SS Sunrip, the largest deepsea freighter ever built in Canada, stands out to sea in good weather past Vancouver's Lion's Gate Bridge.

Sagterms spans the gap . . .



Bauxite from the jungle

A Sagterms ship loads bauxite at the steaming port of Mackenzie, British Guiana. Sagterms vessels carry two million tons of the ore from the port each year.



Aluminum from the north

Shining ingots of aluminum wait on the Sagterms wharf at Port Alfred, Que. Ships will carry them to customers throughout the Western World.

These men . . .

They run Sagterms:

M. P. Weigel — Sagterms' president and a prominent figure in the aluminum industry. His main job is to see that Sagterms' policy is co-ordinated with that of Alcan and other companies in the Aluminium Ltd. group. He is also president of two railroads, the Roberval and Saguenay Railway and the Alma and Jonquieres Railway and a director of several Alcan mining companies.

F. L. Parsons — first vice-president and general manager — is directly in charge of Sagterms' shipping operations. It is largely due to his drive and energy that Sagterms' fleet has increased from a mere 10 vessels in 1946 to the present 101 ships. He has been an Alcan man for the past 20 years and came to Sagterms as general manager in 1946.

L. P. Thomason — second vice-president — runs port installations at Port Alfred where most of the raw materials for Alcan's Quebec smelters are discharged, and most aluminum ingot and other finished products loaded for shipment ex Canada. He also directs the operation of the Roberval and Saguenay Railway of which he is vice-president and general manager.

W. Baatz — third vice-president — handles Sagterms' complex financial and legal matters. One of his recent accomplishments was successful direction of Sagterms' legal battle with the railways and the Conference lines in the through bill of lading dispute.

J. A. Watson — manager technical department — is responsible for company's new construction program as well as maintenance of the fleet and crew personnel.

T. L. Pitman — chartering manager — the youngest man (34) in the Sagterms management group, is responsible for chartering of ships. As such, he spends most of his time on the telephone "horse-trading" with ship brokers and owners throughout the world, over terms on which the company will charter vessels.

E. M. Strang — operating manager — is responsible for seeing that Sagterms' vast fleet maintains its schedule, and that over six million tons of cargo a year is properly handled.

W. D. Flavelle and W. F. Bland — traffic managers — are responsible for the solicitation and booking of all general cargo. Mr. Flavelle handles all services ex Canadian ports while Mr. Bland is in charge of the Holland, Belgium, U. K. service to the British West Indies.

Fill the holds

Last year Sagterms transported:

Bauxite — 2,500,000 long tons from Aluminium Ltd.'s mines at Mackenzie, B.G. and Kassa, Los Islands, French West Africa to Alcan's smelters in Quebec.

Alumina — 200,000 long tons from Mandeville, Jamaica via Port Esquivel to Kitimat.

Aluminum Ingot — 200,000 short tons from Port Alfred, P. Q. to the U.K., Holland and Belgium; 12,000 short tons from Kitimat to the U. S. West Coast and U. K.

Sulphur — 8,100 long tons from the U. S. Gulf to Port Alfred.

Fuel Oil — 100,000 long tons from Trinidad to British Guiana.

Fluorspar — 65,000 long tons from St. Lawrence, Nfld. to Port Alfred.

Petroleum Coke — 37,000 long tons from California to Kitimat.

Tramp Trades — 2,000,000 tons of bulk cargoes such as coal, grain, iron ore, sugar, gypsum, lumber and titanium slag.

Liner Service — 1,250,000 tons of general cargo.

Advertisement

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Letter from London

A commentary from the Commonwealth Capital

by Adelphi

When I wrote in this column recently that Sir Anthony Eden was showing signs of strain, that his face was drawn and that he had lost weight, I did not imagine that he would have to go abroad for a rest.

Eden has extraordinary reserves of strength that have often confounded his opponents. You will remember that when he was Foreign Secretary his physical condition was so dangerous that he had to fly to America for an operation.

When he left England on that occasion he looked so thin and drawn that it seemed unlikely that he would ever be able to return to active political life. Yet he came back after his convalescence and at once undertook duties that would have exhausted a giant.

Admittedly his ordeal over the Egyptian intervention has been more merciless than anything he faced as Foreign Secretary. A section of the press, headed by such an oddly assorted combination as the noisy Daily Mirror and the serious Sunday Observer, have been utterly merciless and shameless.

• • •

Criminals Suffer Less Press Abuse

No criminal in the dock was ever arraigned for such a variety of crimes. No wonder that there were resignations from the board of governors that control the Observer. Needless to say there were no resignations from the unrepentant Daily Mirror.

But Eden's opponents were not confined to the Press. The extreme right wing "Suez Group" of Tory MP's headed by Julian Amery (son of the famous "Speak for England!" Leo Amery) have threatened to rebel if Britain pulls our troops out of Egypt before we have brought Nasser to heel.

Not even Joan of Arc heard more voices than Sir Anthony. The Socialists screamed, "Get out of Egypt and leave it to the United Nations." The Liberals were too shocked to say anything but the expression on their faces was eloquent.

But there was one Socialist, a grand chap named Evans who, when he was the junior Socialist minister for agriculture, denounced his own government's policy of "feather bedding" the farmers.

With the same sturdiness as he displayed as a minister, he stood up in Commons and defended Eden's intervention in Egypt. To the eternal shame of his constituency association his resignation was demanded.

• • •

Staunch Mr. Evans Resigned His Seat

He could have defied them and remained an MP until the next election but he announced his resignation in the House of Commons because he did not feel it right that he should remain a member when he no longer represented the views of the people who elected him.

In the meantime the British are preparing for a winter that will recall the days, if not the nights, of the Hitler war.

Petrol rationing, partially in force now, will become rigid in December. Luxury and weekend driving will cease. Already notices of dismissal have gone out to garage employees all over the country.

So far there is little to show that the U. S. will assist Britain in the matter of oil. That mood may change but at the present time it seems that U. S. feeling is hardening rather than softening.

In fact Britain is preparing for a very grim Christmas. I would not be surprised if even candles are rationed as Yuletide approaches.

Some of the wise boys are saying that the Government, if faced with an internal revolt, will have to go to the country. If that is true we shall see one of the most bitter conflicts ever fought in the hustings.

• • •

Canada Has Sent Many Blessings

I am proud to report that Sir Anthony has received countless messages of goodwill from Canada. Don Iddon, the famous wandering correspondent of the London Daily Mail, sent a long dispatch from Canada saying that our kinsmen there were overwhelmingly behind Eden and the Government.

And as a member of your staff it has been a matter of deep pride to me that The Financial Post has been so powerful a friend to Britain at this unhappy period.

Unfortunately the relations of Britain and the U. S. are strained and difficult. If this persists it will give enormous encouragement to the proposed Free Trade Customs Union of Britain and Western Europe.

The British believe that France is experiencing a spiritual resurgence. Certainly there are many signs of it. There are also signs that Western Germany is anxious for the closest possible unity with the Western Powers. That is understandable for many reasons but if eventually a unified Germany lines up with Britain and France there is no nation or combination of nations that could destroy them.

It is unfortunate that our kinsman Lord Beaverbrook is not with us in London but his health demands that he must not face the treacherous vagaries of the British climate in the winter. His powerful newspapers are giving unflagging support to Eden, but the Beaver has a personal influence quite beyond his newspapers.

• • •

Beaverbrook True When Storm Howls

He is not always a good-weather friend but when the winds begin to howl and the storm breaks there is no better friend or adviser than the staunch old son of the manse.

Let me end this issue with a word of sympathy to that unhappy band of brothers known as stockbrokers. According to report there are few sellers and even few buyers.

As is their habit the stockbrokers call up their favorite clients each morning and give them the general picture. But the conversations always end with the same sentence: "Well, I don't think I shall do anything until we see what is going to happen."

The brokers have not yet taken to playing gin rummy as they did in the great depression but they may soon come to it.

Perhaps this is a good moment to buy shares in companies making playing cards. At least it is an idea.

Bank of Commerce Has Record Deposits, Loans, Net Profits

At the close of its 90th year of business on Oct. 31, 1956, **Canadian Bank of Commerce** assets were $78 million higher than a year earlier and totaled a record $2,435 million. Major gains were achieved in various areas of the bank's business including deposits, commercial loans and net profits.

Before taxes, net earnings reached $15.1 million, 5.7% higher than those in the previous fiscal year. Net profit after taxes came to almost $7.9 million in 1956, 8.7% higher than 1955's $7.3 million. In the fiscal year just ended, earnings per share were $2.10 ($1.94 in 1955). Dividend payments totaled almost $6 million ($4.2 million the previous year). Dividend payments per share were $1.40 plus a special 20c payment ($1.20 in 1955). After dividend payments, surplus for the year came to $1.9 million. Rest account was increased by a $6 million transferred from tax paid and other reserves and it now stands at $75 million.

CONS. CONDENSED STATEMENT

As at Oct. 31:	1956	1955
Cash on hand ..	$125,935,386	$121,348,299
Notes & dep. Bk. of Can. ..	191,098,978	193,317,277
Dep with other banks	75,451,147	35,663,436
Call and short loans	155,003,865	116,087,291
Dom. and prov. Secs.*	475,997,264	695,480,033
Other securities	*177,629,411	*178,324,293
Total quick assets	1,201,216,051	1,340,220,629
Loans and discounts	1,069,285,025	895,363,036
Bank premises ..	24,697,925	20,994,137
Mortgages, N.H.A.	89,444,382	49,172,067
Letters of credit	31,531,892	32,506,859
Other assets	18,739,029	18,653,177
Total assets ..	2,434,914,304	2,356,909,905
Dom. & Prov. deposits	85,233,398	70,079,113
Personal savings	1,112,761,262	1,081,729,669
Other deposits ..	1,005,118,203	1,011,910,061
Due to banks ..	75,984,557	47,708,629
Letters of credit	31,531,892	32,506,859
Other liabilities .	11,494,355	8,137,603
Total liab. to public ..	2,322,123,667	2,252,071,934
Reserve	75,000,000	65,961,516
Capital	37,500,000	37,477,363
Surplus	290,637	1,399,092
Total liab. to share	112,790,637	104,837,971

*Not exceeding market value.

CONS. INCOME

Years Ended Oct. 31:	1956	1955
Net earnings	$15,123,807	$14,309,899
Less: Dom. taxes	7,232,266	7,050,344
Net profit	7,891,541	7,259,555
Less: Dividends .	5,999,996	4,258,111
Surplus for year	1,891,545	3,001,444
Earnings per Share and Dividend Record:		
Earned	$2.10	$1.94
Paid	1.40+0.20	1.20

Totaling $2,279 million at year end, deposits were 5% higher than at the close of the previous fiscal year. Most of this increase due to larger savings deposits which now total $1,113 million.

While during the year portfolio holdings dropped by $220 million, commercial and other current loans increased by $174 million. Call loans in Canada and elsewhere advanced by $39 million.

NHA mortgage loans rose to $89.4 million from the year before's $49.2 million.

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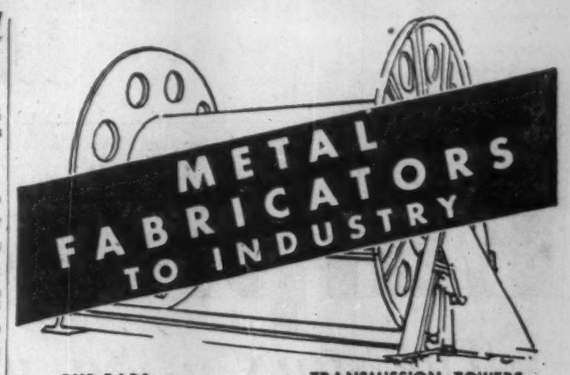

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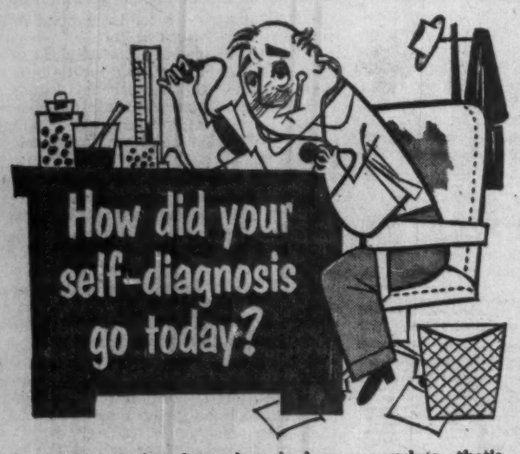

Relatively few of us make a check-up on ourselves—that's best left to a specialist.

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Sask. Mineral Output Peak $100 Million

Value of mineral and oil production in Saskatchewan is expected to pass the $100 million mark this year, Mineral Resources Minister J. H. Brockelbank announces.

Uranium production will be nearly double last year's, while crude oil production will show a large increase, Brockelbank says. These increases will be mainly responsible for the expected record figure for the year.

The estimate forecasts a mineral output of $111,623,584, nearly double production of two years ago. Uranium production is expected to be $27 million, compared with $14.2 million in 1955 and $11 million in 1954. The uranium increase is accounted for by the **Gunnar Mines** output at Beaverlodge and a boost in the mill capacity of **Eldorado Mining & Refining Ltd.**

Sales of natural gas are expected to reach $1 million, up from $560,000 last year and $310,000 in 1954.

Crude oil sales have jumped from $8.1 million in 1954 to $17.4 million last year, should be about $38 million this year, says Brockelbank.

Only cadmium, gold and silver are expected to show drops in value this year.

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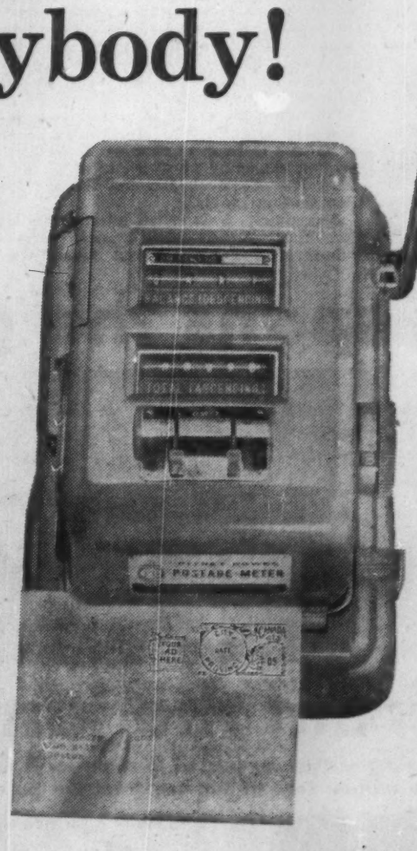

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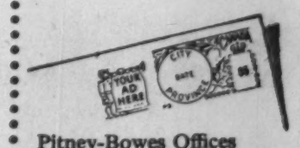

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ANNOUNCEMENT

Canada Trust Appointment

Colonel, The Honourable Clarence Wallace, K.St.J., C.B.E.

M. Aylsworth, president of The Huron & Erie Mortgage Corporation and The Canada Trust Company, announces the appointment of The Honourable Clarence Wallace of Vancouver, B.C. as a Director of The Canada Trust Company.

Colonel Wallace will continue to serve as a member of the Companies' Advisory Board in Vancouver. He is president of Burrard Dry Dock Company Ltd., Burrard (Vancouver) Dry Dock Company Ltd., Pacific Dry Dock Company Ltd., Wallace Shipbuilding and Dry Dock Co. Ltd., and Yarrows Limited, and a director of a long list of important Canadian companies.

NOTICE

Certificate of Registry No. C1880 has been issued by the Dominion Insurance Department to the Fire Association of Philadelphia authorizing it to transact in Canada the business of Aircraft Insurance in addition to the classes for which it is already registered.

JOHN J. KILGOUR,
Chief Agent.

Some Advice to U.K. Exporters

Canadian Banker Tells How to Sell in Canada

By JAMES MUIR

There's lots of room for U. K. exporters in the growing Canadian economy.

But to sell in Canada they must:

- **Tailor products to Canadian tastes and markets.**
- **Meet North American standards for delivery and service.**

This is what James Muir, president, Royal Bank of Canada, told a recent meeting of the Canadian Chamber of Commerce in Great Britain.

Mr. Muir also indicated just how badly U. K. exporters are falling behind by sketching in latest trends in Canada's booming import - export trade. Here is a digest.

In the last six years the total value of world trade has risen by almost 50% and in 1955 it achieved a new peak.

Canada's share of last year's record level of world trade was almost 6%, sufficient to make her fourth among the trading nations of the world.

In 1955 the value of our external trade was surpassed only by that of the United States, the United Kingdom, and Western Germany, in that order.

However, in terms of the value of trade per head of population, it appears that Canada last year was second only to New Zealand as a world trading nation.

Most of this record value of external trading in 1955 was carried on with the United States and the United Kingdom. Together these two countries accounted for almost 80%; but they shared unevenly: the U. S. for almost 67%, the U. K. for only 13%.

Nevertheless, our total trade with the U. K. last year set a post war record, owing mainly to increased sales to the U. K. rather than to increased purchases by us. As the U. K.'s second largest supplier in 1955, we accounted for 9% of her purchases of foreign goods. This part of our export trade reached its highest point for the period since the war. On the import side, Canada was the fourth largest outlet for U. K. exports last year accounting for 5% of U. K. sales abroad.

At their 1955 level our imports from the U. K. were only about equal to the average for the years 1950 to 1955. In contrast, U. S. imports from the U. K. in 1955 were 20% above their average value for the same period.

So far this year the value of our exports and imports has been setting new records, and again, as in 1955, it is our imports which are increasing at the greater rate. Our trade deficit so far this year is well ahead of the deficit for the whole of last year, and stands at over 20% of our exports. Increasing trade deficit this year is due to both a growing deficit in our trade with the U. S. and to a diminishing trade surplus with the U. K.

The Trend

Over the years there has been little change in the general pattern of Canadian trade — deficits with the U. S., surpluses with the U. K., and alternating periods of over-all surpluses and deficits with the world as a whole.

However, Canada's merchandise and service exports were 30% of her gross national product in 1926-1929 compared with 20% today. What these figures mean is subject to interpretation. I would suggest that the changes they indicate are not, as yet, spectacular but may in time be significant.

We may safely say that Canada has maintained, and in very recent years somewhat enhanced, her importance as a trading nation. And we may also say that, in spite of rapid development and industrialization of the Canadian economy (and i some sectors because of it) external trade is still of tremendous importance to Canada.

There has been a marked geographical shift in the direction of our exports and in the source of our imports.

At the turn of the century our exports to the U. K. were more than double our exports to the U. S. and for most of the intervening period our exports to the U. K. exceeded those to the U. S. But since 1941, and especially since 1945, the situation has been reversed.

In other words, in the last 60 years there has been a very large shift in the direction of our exports away from the U. K. and toward the U. S. At the same time, there has been a further and most significant widening of the gap between the U. S. and the U. K. as suppliers of Canadian imports.

The commodity composition of Canadian exports and imports is directly relevant to the problem of greater Anglo-Canadian trade. And, as a result of Canada's evolution from an agricultural to an industrial nation, one might expect to find significant changes in this composition in recent years.

Our exports have always been heavily concentrated on a few commodities. In 1926-1929 and again in 1951-1954 our twenty leading export commodities accounted for over 70% of our total exports. However, the relative importance of our leading export commodities has varied over the years. For example, wheat, which accounted for almost 28% of our exports in the 1926-1929 period, represented only 8% of exports in 1955. In general, there has been a relative increase in the manufactured content of our exports.

Fully and chiefly manufactured goods imported by Canada accounted for 76% of our total imports in 1955, compared with 65% in the years 1926-1929. In other words, Canadian development has not decreased the manufactured content of Canadian imports. Indeed, our rapidly expanding economy requires larger imports of machinery and equipment, and Canadian development fosters, rather than discourages, greater imports of manufactured goods.

U. K. Imports Lag

Imports of investment goods now constitute perhaps 30% of our total imports, and their value has more than doubled over the last six or seven years. However, imports of finished consumer goods seem to have increased almost as much.

Together, the pressure on Canadian resources generated by our high and rising investment and consumer demand has brought about a rate of growth in the Canadian market for imported commodities which very few other countries have exceeded or even equaled.

The question arises: "Why has the U. K. failed to benefit from Canada's great import expansion?" It is, to many of us, a source of disappointment, not to say surprise, that imports from the U. K. have fallen so far behind the pace set by our general import growth, the growth in imports from the U. S. or the growth of our whole economy.

Increased competition from the U. S. is the most common reason given for the failure of United Kingdom exports to Canada to hold their own. The proximity of the Canadian market to the world's largest trading nation, the general similarity of tastes and climate in the two countries, the attraction of the American market for Canadian consumers fostered by travel, advertising, and close business contacts — all these are good and sufficient reasons why the U. S. is likely to remain our principal supplier.

However, they are not sufficient to explain the small share of the Canadian market now held by the United Kingdom imports.

The U. K. may never be able to supplant the U. S. as our chief supplier but surely U. K. exporters might well expect to claim a larger share of our market than they do at present.

Low-cost mass-production technique commonly associated with American industry is by no means a sufficient explanation of the U. K.'s failure to enjoy a larger share of the Canadian market.

A recent study suggests that a much greater percentage of our imports from the U. S. is supplied by small and medium-sized companies, manufacturers, and distributors than might at first have been supposed This is a situation which make marginal displacement of U. S. competitors by U. K. suppliers both feasible and possible.

There is a strong sentiment, shared by many Canadian individuals and businessmen, which, other things being equal or nearly so, would induce them to place their import orders in the U. K. in preference to other sources of supply. Unfortunately, other things have not been equal, and the inequality in most cases has been too great even for sentiment to override.

Tailor to Taste

Now I realize that United Kingdom exporters must be rather tired of hearing complaints and criticisms directed at their sales effort in Canada. They all point in the same direction: to making greater sales effort, to tailoring the product to Canadian tastes and market conditions, and to meeting North American standards for delivery and service.

To follow out most of these suggestions entails considerable expense. To redesign one's products, to maintain a wide distribution of agencies, to set up supply depots for parts and even, at times, to set up branch plants, are all undertakings of considerable expense. But I feel that, if British exporters moved further in this direction and got the right goods in the right place at the right time, they might find Canadian companies and individuals not unwilling to make the expense worth while.

It would be misleading to say that the Canadian market offers easy, fast, or even very high returns, but it does offer a good solid stable market for almost every kind of imported goods and especially for the many kinds of manufactured goods that the U. K. produces with such excellence. Furthermore, the Canadian market is a growing market, and connections made now are the ones most likely to reap the rewards of further expansion.

No Jurisdiction In U. S. Over Eaton's Trademark

The U. S. Supreme Court has refused another petition by **Vanity Fair Mills Inc.** concerning its recent action against **T. Eaton Co.** for alleged infringement of the "Vanity Fair" trademark and unfair competition in Canada.

The case was first decided in June, 1955, by the U. S. District Court in New York when Judge A. O. Dawson dismissed the action. Vanity Fair Mills appealed this decision to the U. S. Court of Appeal in June, 1956, but this was again dismissed.

Subsequently, Vanity Fair Mills petitioned the Supreme Court to hear an appeal. The Supreme Court denied the petition in October, 1956. The company again made application to have Supreme Court reconsider its decision. This has now been refused also.

The dismissal emphasises the strength of the District Court's original decision that a U. S. court has no jurisdiction to determine rights in Canadian trademarks and their use in Canada.

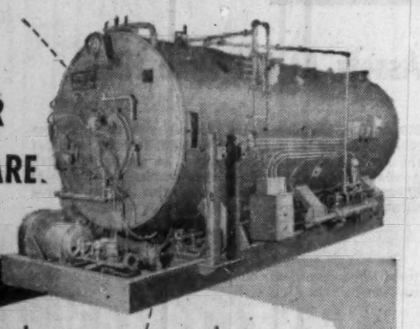
In giving his decision, Judge Dawson said: "The people in the U. S. would be outraged if American companies having branches in foreign lands were faced with the possibility that the courts of those lands would assume jurisdiction to determine the rights of the American company in its homeland to trademarks, etc., registered under the laws of the U. S."

Dalex Preferred To Carry Bonus

An issue of 1,500 7% cumulative preferred shares, par $100, of **Dalex Co.** is being offered by underwriters **Deacon Findley Coyne Ltd.** The stock will be offered at par, with each preferred share carrying a bonus of four n.p.v. common shares.

Company, founded as a private company in 1952, was recently converted to a public company. It distributes industrial chemicals and machinery for the laundry and dry cleaning industry in Ontario and Eastern Canada, and is to be appointed Ontario distributor of U. S.-made Mercury outboard motors.

Proceeds of the issue will be used for general corporate purposes, and to help establish distribution of Mercury products. **There are 30,400 common shares outstanding at present.**



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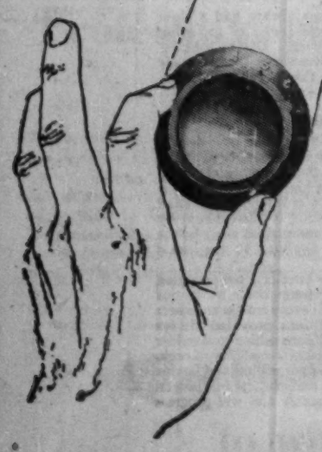

Industrially and economically Canada is growing by leaps and bounds . . . and authorities foresee a continuation of these healthy conditions. But if you are planning to set up manufacturing or sales facilities in Canada, you should first bring the Canadian picture sharply in focus.

That's where the Canadian Pacific Department of Industrial Development comes in — we have the facts you should know — facts on plant sites, power availability, labour supply, raw materials, transportation, market potential — to name only a few.

Through a widespread network of agents and offices, we have collected all this information on Canada from coast to coast. These facts are at your disposal simply for the asking. Your enquiries will receive a prompt, private reply without obligation.

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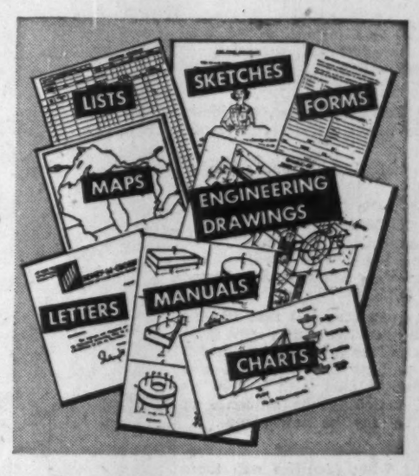

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QUEBEC
Quebec Hospital Service Association
Montreal, E. Deacon Millman, President

Jets Drop Us Far Behind, ICAO Trying to Catch Up

By CLIVE AXTER

MONTREAL (Staff)—In U. S. and European aircraft factories, giant new airliners are taking shape. In Montreal, representatives of world governments at International Civil Aviation Organization are deep in discussion on how to use them.

Airlines and airports have kept going, expanding a little here and there as the situation demanded. With few exceptions most airports are adequate, little more, for present-day operation.

Only two years from now the new generation of high-speed planes will be drawn up before airline hangars. The difference in performance between these new jet-engined monsters and the aircraft of today is so enormous, airmen have been forced into action.

ICAO has formed a "jet age task force." Official title: Implementation Panel.

It consists of:

Dr. Edward Warner, president of the ICAO Council and chairman.

Colonel Luis de Azcárraga (Spain).

Col. Helio Costa (Brazil).
A. P. Dekker (Netherlands).
Jerome Lederer (U. S.).
René Lemaire (France).
Air Vice Marshal Sir Victor Tait (U. K.).

The panel agreed that ICAO's 69 members had put in some good work on the problem, but that it was nothing like solved. It was decided to deal with it area by area, matching the sequence of delivery for the new planes.

The Needs

Just what facilities will these new planes require? Early estimates based on builders' specifications showed, for instance, a Boeing 707 or Douglas DC-8 would need about 8,500 ft. of runway at sea level. Later calculations suggested 10,000 ft. would be nearer the mark.

Very few present-day airports anywhere have those sort of runways, and only a handful can be made much bigger.

Dorval airport outside Montreal will soon have its two main runways extended from 7,000 ft. to 9,000 ft. in length. If it turns out that this is still too short for the jets, it is doubtful they can be extended further.

An ICAO spokesman described London Airport, probably the most modern in the world, as "marginal" with regards to expansion. Roads and houses ring its present boundaries too closely.

Airports on high ground need even longer runways, as the rarer air makes it necessary for a plane to reach greater speed before landing or taking off. This means longer runways.

Mexico City, for example, is 7,500 ft. above sea level. This means that a jet needing a 10,000-ft. runway at sea level, will need a fantastic 17,500-ft. length to handle the necessary speed to fly in and out of that field.

Navigation Worries

Another unsettled problem is navigation.

There are some 40,000 different aids and facilities available to aircraft the world over. Some are highly advanced, but the majority are only adequate for piston engine planes rumbling along at 200 mph with plenty of time and fuel for second-guessing. A whole new system of navigation will have to agreed on and installed.

But it is worth considering that high density approach lights leading to one runway can cost up to $1 million to install. This is one example. Cost of airfield improvements plus up-to-date navigational aids across the world is staggering to consider.

First area to be worked on is the North Atlantic. Next will be Europe. These two areas have tremendously busy routes, where saturation of existing aids has nearly been reached.

The panel's recommendations for improving the North Atlantic services were presented to the ICAO Council meeting in Montreal this week. They will almost certainly call for some form of long-range, accurate navigation facilities and improved diversionary air fields.

For the public this means faster and safer flying. For the world's governments some pretty staggering expenses in the next few years.

Short Position Up at Montreal

MONTREAL (Staff) — Short position on the Montreal Stock Exchange as at Nov. 15 was 6,345 shares in 20 issues, up 916 shares and three issues from the position as at Oct. 31.

Among the significant changes were:

Stock	Change	Stock	Change
Abitibi	+790	McColl	—100
Gt. Lakes	—134	Powell River	+150
Hudson Bay	+228	Steel Co.	+100

Short position on the Canadian Stock Exchange as at Nov 15 was 68,200 shares in 21 issues, down 500 shares but unchanged as to the number of issues from the position as at Oct. 31.

Among the significant changes were:

Stock	Change	Stock	Change
Abitca	—1,400	Hollinger	+100
Belle Chib.	+1,500	Montgary	+700
Cent. Leduc	+300	Opemiska	
Chatco Steel	—1,000	Expl.	—1,000
East. Ash.	+500	Silver-Mill.	+7,000
Frobisher	+300		

Here is the actual MSE short position as at Nov. 15.

Stock	Shares	Stock	Shares
Abitibi	1,625	Imperial Oil	150
Algoma	100	Int. Nickel	230
Aluminium	135	Massey-Harris	150
Asbestos Corp.	525	McColl	200
Cons. M. & S.	335	Noranda	504
Dist. Seagrams	150	Powell River	150
Dom. Sti. & C.	300	Shawinigan	350
Famous Players	300	St. Lawrence	350
Fraser Co.	100	Steel Co.	100
Great Lakes	326		
Hudson Bay	325	Total	6,345

Here is the actual CSE short position as at Nov. 15.

Issue	Shares	Issue	Shares
Abitca	1,200	Frobisher	200
Anacon	500	Hollinger	100
Arcadia	200	Merrill	400
Base Metals	5,000	Montgary	18,200
Belle Chib.	1,300	New Pacific	500
Burnt Hill	900	Preston E. D.	300
Central Leduc	200	Que. Chib.	3,800
Con. Halliwell	200	Que. Smelt.	10,500
Copper Rand	300	Silver-Miller	7,000
Del Rio	350	Virginia	8,100
Eastern Ash.	3,000	Total	68,200

Gen. Dynamics Sales Hit Peak

MONTREAL (Staff) — Canadair Ltd.'s parent company, General Dynamics Corp., and its subsidiaries report consolidated net sales during the first nine months were higher than for all 1955. Both sales and earnings were higher than in any corresponding period in the corporation's peacetime history.

Consolidated net sales for the first three quarters of 1956 were $691,009,401, up 36.5% from $506,133,306 for the same period in 1955; sales were $687,274,182 for the entire year 1955. Profits before taxes were $39,139,700 as against $28,779,390 for the first nine months of 1955.

Net income for the nine months ended September 30, after U. S. and Canadian taxes, was $21,076,298. This included a non-recurring profit of $2,186,598 from the sale of General Dynamics' investment in the broadcasting interest of the Stromberg-Carlson Division. Profit was 53.2% higher than income for the corresponding 1955 period of $13,754,390.

Earnings per share of common stock were $4.13, based on 5,105,706 shares outstanding on September 30. Earnings for the comparable period last year, on the same basis, were $2.69 per share.

Corporation reports a backlog of unfilled orders of about $1.8 million, and further contracts under negotiation worth $754 million.

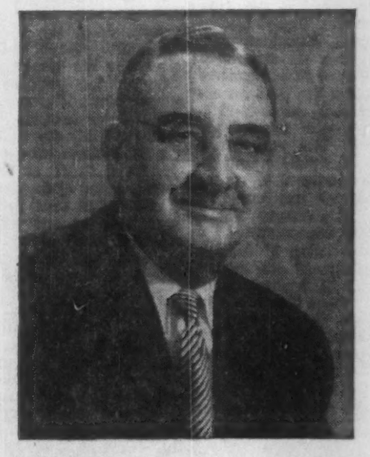
Communications Meet in Canada

A conference of key people in the field of communications will be held in Canada next year by Thomas A. Edison Ltd. The aim: To bring together leading minds in transport, radio, TV, telegraph and cables, language and international relations.

This was announced recently by Edison Vice-president C. H. Goddard, speaking at the official opening of the company's new offices in Toronto. "It is our hope that from this meeting will come ideas and applications of value not only to Canada but to countries throughout the world."

He disclosed the company's research laboratories were working toward the day when executives will dictate into one end of a dictating system and at the other end a machine will automatically type out what has been said.

IMPERIAL BANK OF CANADA EXECUTIVES ADDRESS 82ND ANNUAL MEETING



President Reviews Canadian Economy

Mr. J. S. Proctor, President of Imperial Bank of Canada, addressing the shareholders at the 82nd Annual Meeting of the Bank, said in part:

I wish to direct my own remarks today to the general business conditions in this country and elsewhere and I am assuming that current international developments will find a peaceful solution. What effects the fast-moving international events may have on Canadian business are at this moment impossible to discern.

In studying the current business situation and the problems of controlling inflation one must keep the great expansion of recent years clearly in mind. The great expansion since 1949 has not been followed by large price increases. This is of the greatest importance to the welfare of Canadians. When prices are stable the real income of consumers rises in rough proportion to their increased earnings. This contributes powerfully to the steady increase in consumer spending which has been a major support of the current boom. To strengthen the belief that the purchasing power of the Canadian dollar will not be allowed to wither away should be a prime aim of national economic policy.

The rate at which Canadian businessmen have been investing in the expansion of productive capacity in the last year and a half suggests strongly that they also are confident of the strength of the forces making for growth and of our ability to avoid the extremes of unemployment or price inflation. Indeed the current upswing rests on the traditional supports of a private enterprise economy more firmly than has been the case in recent years. In the first two quarters of this year the rise of the gross national product was brought about by spectacular levels of spending by private business on construction, new machinery and equipment, and the accumulation of inventory. Such increases in these forms of spending have not been seen since the Korean war boom.

In the light of such rates of increase it is surely not remarkable that we should meet some difficulty in expanding so rapidly or, that growing scarcities should tend to push prices up. The remarkable thing rather is that inflationary pressures have been so mild and have been so long delayed. For this we have mainly to thank our ability to tap the productive capacity of the United States and other countries. Imports of goods of all sorts have relieved the scarcities somewhat and made it possible for the production of capital goods and of consumer goods to increase together. Other nations have had to choose between current consumption and the increase of their plant and equipment; Canadians are just now having this choice seriously presented to them.

Capital Imports

The growing excess of imports and other current account payments over exports and other receipts in 1956 has been financed by a large increase in the rate of capital import; it was larger in the first six months of this year than in all 1955. In this increase, direct investment has played a substantial part but it no longer provides the larger part of our capital import as it has done in the last few years. Of increasing importance is the sale of new issues of Canadian securities abroad.

Concern has been expressed about the large investments by non-residents in Canada. Despite the fact that Canadian savings are increasing with rising incomes, about 25 per cent of our current investment is coming from imported capital. Yet, high as this percentage is, compared with any period since the first world war, it is far short of the rate in that other period of great expansion which came before 1914. And without this capital, our rate of expansion must necessarily have been slower and, at least in current circumstances, there would have been greater risk of inflation.

The high level of investment in productive capacity in recent years, together with this inflow of capital and a rather modest rise in the labour force, have brought about an increase in gross national product of 20 per cent over the peak levels of the 1953 boom itself. Consumer spending rose by the same percentage but government spending on goods and services rose by 13 per cent and production for export by 15 per cent only. Though room was thus made for private investment spending to grow more rapidly than national output, the attempted rates of expansion of capital formation in 1956 are much too great to be fully carried out. Between the third quarter of 1953 and the second quarter of 1955 expenditure on residential construction rose by 50 per cent, on non-residential construction by 32 per cent and on machinery by 21 per cent.

Tight Money

Such high rates of expansion, coming in a period of full employment, are bound to put great demands on our power of increasing production and of providing the necessary financing. Bank loans have risen sharply, increasing by about 25 per cent by mid-year. Funds for expansion of loans were obtained by selling government securities. The great increase in the demand for commercial loans thus set in motion a train of events which increased the supply of bonds in the money market, reduced their prices and probably diverted some funds to security purchases which would otherwise have gone into mortgages. As the chartered banks had, at the request of the Bank of Canada, agreed to endeavour to hold an additional liquid reserve of seven per cent, pressure on the bond market was made yet greater by the resulting shift to Treasury Bills. The resulting rise in interest rates has affected all types of borrowers. High rates are bound to continue unless the current levels of investment spending are reduced.

The Bank of Canada indicated its views on these developments by successive increases in its rediscount rate, and by recommending credit restraints to all lenders. Had the central bank prevented rising interest rates by increasing the supply of bank cash, thus keeping credit easy, this action would not have avoided interruption of current projects and plans because interference with them would soon have appeared in the form of shortages of labour and supplies resulting in rising costs and prices. If current rates of expansion are to be moderated, as they must, it is surely preferable that this should come about by restraint in the use of credit rather than by reducing the purchasing power of the currency.

Canada faces particular difficulties in trying to use monetary policy as a means of control owing to the ease of access to the capital market of the United States. The tighter monetary restrictions in Canada have raised interest rates not only to their usual differentials above those of the United States but even somewhat more. Consequently, there has developed a substantial net issue of new securities in the United States and a sale of outstanding securities.

Restrictions are undoubtedly irritating and are awkward for borrowers. They are, however, necessary if we are to avoid inflationary excesses. It is most important that the business community, as well as governments and individuals, recognize their necessity and co-operate fully.

While control of current inflationary tendencies must be given first place there are other factors in our growth which require attention. To relieve the current labour shortage immigration should be expanded and special efforts put into increasing the proportion of skilled people coming into the country. The provision of more educational facilities, together with a rise in the numbers of the native-born entering the labour force, should slowly overcome the particular scarcity of technicians and engineers. To devote too much of our educational resources to the training of technicians at the expense of the additional facilities required to educate and to employ research workers in industry and scientific pursuits would be unwise. More attention should also be given within business corporations to the discovery and promotion of able young men who are now so strongly tempted by opportunities in the United States. The resumption of a considerable emigration of well-trained Canadians to the United States, which seems now to threaten, would be a drain we can ill afford. To find, to train and to keep in Canada as many as possible of our ablest people is essential to rapid and sound national development.

Natural Resources

To meet our national problems successfully should then be quite possible. Our resource development programme, which at present is proceeding satisfactorily, might then be carried to such limits as our natural resources and national policy suggest. Since our capacity to produce hydro-electric power cheaply is not unlimited, development of power from nuclear sources is of the utmost importance. Our metal and forest product industries depend on cheap power to aid them in maintaining a competitive position for our exports in foreign markets. Since our high level of investment in primary industries is bound to expand our exports, both business and governments will need to put more men and money into selling Canadian products abroad.

Wheat here presents a problem of some difficulty. Export sales in the past year have been better and farm cash income has improved. Despite the large carry-over we are fortunate to have a large crop again. Nevertheless absorption at home of the larger part of the production of prairie farms is not likely to happen soon. It is with concern therefore that one observes some features of the surplus crop disposal programme of the United States.

In Canada the output of goods and services has been phenomenal in recent years; living standards have risen much beyond the expectation of ten years ago. Rapid recovery of world demand after the second world war, the richness of our newly-discovered mineral resources, the rapid exploitation of sources of cheap power all justify ever larger views of our economic future. In this expansion Canadian enterprise has been joined with that of immigrants and foreign capitalists in a most fruitful association. Recently signs of over-straining of our productive system have appeared however. These seem due to a somewhat too rapid expansion of the demands upon it made by governments, consumers and businessmen. The instruments of national economic policy have therefore been brought to bear to moderate and stretch out these demands. To keep the economic system functioning at maximum efficiency is not within the power of such measures alone however; self-discipline in spending by all governments, by the individual consumer and by the business man is necessary. In their day-to-day decisions the over-all community objectives of restraining spending must be brought to bear. I wish to stress, however, that flexibility and understanding in such matters is absolutely necessary. Restraints should be eased as soon as there is evidence of sufficient reduction of demand to avoid the danger of inflation. Only in these ways can the early easing of current strains be achieved and the smooth growth of the Canadian economy maintained. I believe that Canadians are well endowed with imaginative and enterprising leadership, are a disciplined and responsible people and that if we use fully these qualities, we have sound ground for confidence in ourselves and our future.

General Manager Reports Assets At All Time High

Addressing the shareholders at the 82nd Annual Meeting of Imperial Bank of Canada, Mr. E. J. Friesen, General Manager, said in part:

The 82nd Annual Statement reflects continued increase in all phases of our banking operations both Domestic and Foreign.

You will note that net earnings of the Bank available for distribution were $2,676,000, an increase of $493,000 over last year. This amount is after transfer to inner reserves out of which full provision has been made for diminution in value of loans and investments—after providing for income taxes in the amount of $2,290,000—after full depreciation allowances—and after contribution to Staff Pension Fund.

After paying dividends at the rate of $1.40 per annum and providing for a bonus of 30¢ per share—a total of $1.70 which is an increase of 10¢ over a year ago—the carry forward to be added to previous balance of undivided profits is $814,000. In turn $2,200,000 has been transferred to Rest Account leaving Undivided Profits at $766,000.

As mentioned in the Directors' Report, the amalgamation of Barclays Bank (Canada) with Imperial Bank of Canada was effected during the year. The resultant increase in capital funds together with collection of the final instalments on the sale of 300,000 new shares issued in 1955 and the transfer to Rest Account from undivided profits, have increased Capital, Rest and Undivided Profits by $7,226,000 to a total of $40,966,000.

Assets

Assets and Liabilities also reflect those of Barclays Bank (Canada) taken into our books on February 1 last at approximately $38 million. Total Assets of the Bank increased by $72 million to $867 million, once again a new high in the history of the Bank.

Investments

Investments not exceeding market value decreased $56 million to a total of $203 million. As in the past the major amount is in Federal Government securities and because of the 7% secondary reserve requirement a substantial amount is now in Treasury Bills, readily exchangeable for cash.

Loans

Call and Short Loans to Brokers and Investment Dealers were up nominally by $1½ million. Current Loans after full provision for estimated losses amounted to $443 million, up $83 million. The increase is indicative of the great growth achieved in our country in almost all fields of business during the year.

We have actively engaged in loans under the provisions of Government enactments such as Home Improvement, Farm Improvement, etc., to the benefit of all Canadians in both urban and rural areas.

Similarly our mortgage loans under the National Housing Act are up $18 million, a very substantial percentage increase, and reflecting the completion of loans under earlier commitments.

As in the past the lending of Chartered Banks will continue to play a very important role in the future of Canada. At the same time in a period of notable expansion where business activity is near the limit of manpower and materials, normal prudence dictates some curtailment—or at least containment of loans.

The rise in loan interest rates is due to the present tight money situation but it is timely to point out that while the prime rate has been reduced from time to time in the past, the present upward trend is the first in over two decades despite the fact that during these 20 years the cost of doing business has increased substantially.

Bank Premises

We continue our programme of modernizing, improving and enlarging our Branches, also the installation of modern accounting equipment—all of this resulting in added efficiency and comfort for both customers and staff.

Foreign Business

The foreign business of the Bank continues to expand in number of correspondent relationships, volume of foreign exchange and Letter of Credit transactions which in fact are the highest on record. To a greater extent than almost any other nation, Canada has committed her future to a steadily expanding foreign trade. The value of our dollar in relationship to the U.S. dollar is therefore of great importance. This month our funds reached a premium of over 3% against almost par a year ago. This despite an adverse trade balance of some $725 million in the first 9 months—clearly reflecting the effect of the continued inflow of foreign investment funds.

New Branches

We now have 280 branches from Halifax in the East to our branches on Vancouver Island in the West. This is a net increase of 21 in the fiscal year versus 17 last year and includes 5 branches acquired through amalgamation. In addition some 15 branches are in various stages of completion.

Deposits

Deposits are of course the prime essential in the business of banking and we welcome these of whatever size. Our total deposits at $810 million increased $60 million. Those of Federal and Provincial Governments plus other Banks were up $24 million while demand and corporate deposits increased $16 million with personal savings up $19 million. While we are pleased with the increases recited, it is at the same time relevant to point out that the habit of personal saving is by no means universal. Available statistics indicate that despite notable gains in spendable income, in many cases this income is being spent even more rapidly than it is being earned.

Shareholders

The shareholders of the Bank now number 3,694. Of these 195 are residents of the United States and 144 are residents of the United Kingdom and other countries.

Staff

The staff of the Bank now number 3,634, an increase of 349. It is a pleasure to acknowledge the satisfactory way in which all have measured up to their responsibilities.

To them goes the credit for the further growth of the Bank and their efforts are indeed appreciated. In particular I wish to acknowledge the valued assistance of the Assistant General Managers, the Department Officers at Head Office and elsewhere, including the Western Superintendent and his staff.

During the year in recognition of the Bank's continued growth a number of senior appointments were made at Head Office as well as in other areas and in particular the appointment of three Superintendents covering our branches in Quebec and the Maritimes; Alberta, and British Columbia, respectively. In addition we now have a resident representative in London, England.

I again draw to attention that we welcome inquiries from young men interested in making a career of banking. Opportunity for advancement in a profession that offers many advantages was never better than now.

General Business Conditions

Last year was a satisfactory year for the farmer and this year will be even better. Marketing of grain during the crop year ended July last was well above 10 year average and there is reason for optimism that this improvement will continue.

In the Construction Industry it is now apparent that the total of construction expenditures—Industrial, Commercial and Housing—will not reach that originally forecast. This is due largely to the shortage of manpower and materials and to a degree the greater difficulty in obtaining long term financial assistance. At the same time the industry is experiencing a record year, well in excess of last year, and with every expectation for continuance in 1957.

In forest products—conditions in the lumbering industry were satisfactory and the same can be said of the pulp and paper industry where further notable expansion of capacity has taken place, which should shortly bring the supply situation into better balance.

Exploration and development of oil resources in the Western provinces continues satisfactorily with well completions in excess of last year indicated. Crude oil production is closely tied to both domestic market needs and available export markets. Present production could be readily increased should present unsettled world conditions make this necessary. Markets for natural gas are in the making and when pipe lines as presently started and projected are on stream acceleration of development in the gas areas is to be expected.

Production of the Canadian mining industry will again reach a new high this year. Iron ore output greatly exceeds that of last year and in the not too distant future should be near the top in world ranking. Uranium production is expanding rapidly and it is quite possible that within a matter of a year or two, Canada will be the world's largest producer.

Output of Copper, Nickel, Zinc and so on down the list has also increased with all metals finding a ready market.

Construction of new power plants in various sections of Canada have kept pace with the expansion in industrial activity. The major hydro development now underway is in conjunction with the St. Lawrence Seaway, and of great importance for the future is that construction of Canada's first nuclear electric power plant is underway—this being a joint effort of private enterprise and public authority.

As is well known this Bank has always had a close association in the field of natural resources including mining, oil, lumbering, pulp and paper. During the past year we have opened a Natural Resources Development Department to render service in this large and increasingly important part of Canada's economy.

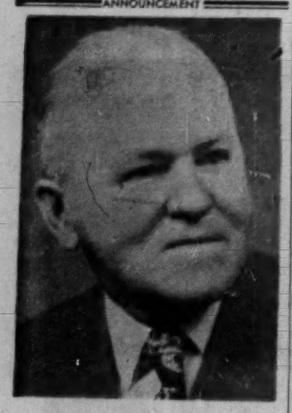
Conclusion

Canada's economic expansion during the past decade has been remarkable and this year is no exception. More people are gainfully employed than ever before with individual earnings at an all time high. Our economy is being vastly reinforced by the flow of foreign capital and the flow of immigration—all looking for investment by way of money or talents or both under what must be the most favourable circumstances applying in the world today.

Assuming no worsening in the international situation and no disruption in the field of foreign trade which this country must have, surely there is every reason to expect a continuance of buoyant conditions provided always that Canadians in every walk of life are willing to shoulder their responsibilities within the respective ability of each. Unquestionably the Imperial Bank is willing and is able to assume its full responsibilities and play its full part in the growth of this wonderful country and will progress accordingly.

IMPERIAL BANK OF CANADA

ANNOUNCEMENT



H. E. Commander Joseph Racine, President of the firm Terreau & Racine Ltée, of Quebec City. The Board of Directors of that firm will shortly pay tribute to Mr. Racine on the occasion of his celebrating 50 years of association with this old Quebec Commercial Institution.

Suez Hits Canadian Textiles, As Major Price Hikes Hinted

MONTREAL (Staff) — Further and major price increases loom as a strong possibility in Canada's woolen and worsted textile industry.

The reason: In the past few weeks wool prices—which have been climbing steadily since midsummer—have soared due to the unsettled Middle East situation and blockage of the Suez Canal.

The result: Canadian woolen and worsted makers—who have been edging their prices up to keep pace with wool costs—may have to hike the price of their products by a substantial amount. In fact, several mills are reported to have withdrawn their prices—that is they are accepting no further orders for future delivery for the time being.

One company official estimated that the price of wool tops has increased by 2s/6d (about 33c Canadian at the current rate of exchange) in the past six weeks. That's an increase of 25%.

In addition, the blocking of the Suez has set back delivery dates. Prior to this, tops were being quoted for December delivery; present quotations are in terms of April deliveries.

A second cloud also hovers over the domestic woolen and worsted industry.

Recently, the U. S. hiked duties on woolen and worsted fabrics imported into that country. The increase is due to the U. S. tariff mechanism which virtually assures U. S. mills 95% of the market in that country. When the level of woolen and worsted imports appears likely to exceed the 5% of the market allowed them, a higher tariff is invoked for the balance of the year. This is what has happened.

As a result, Canadian woolen and worsted makers fear that some of the U. K. production that would normally flow to the U. S. may be channeled into Canada.

However, the Middle East crisis and delays in wool deliveries may put the U. K. mills in the position of having to stretch out their deliveries. This, Canadian mills hope, may offset to some extent the extra volumes of U. K. woolens and worsteds that might otherwise be expected to appear in this country.

BRITISH COLUMBIA PACKERS LTD. has issued an additional 80,272 class B shares upon conversion of class A shares. Now 362,830 B shares outstanding.

D. R. BAKEWELL

operations manager of C. D. Schultz & Co., Vancouver, engineers, foresters and consultants, has been named general manager.

Change in B.C. Highway Route Presents Problem

OTTAWA (Staff) — When Premier Bennett of British Columbia was here last week for conversations with Prime Minister St. Laurent, he left behind him the positive impression that British Columbia will go on renting its income taxes to the Federal Government under the new plan as it did under the old. He also left an agreement and a problem.

The agreement: A change in the route of the Trans-Canada Highway through Vancouver. The Federal Government has agreed, subject to technical checks, to let the Trans-Canada Highway reach the coast at the Horseshoe Bay ferry terminal on the north shore and not in downtown Vancouver.

This means that federal cost-sharing will apply to the long-discussed Second Narrows Bridge over the harbor. And it will help pay for the highway through north 2nd West Vancouver to the ferry terminal.

Federal authorities have accepted the provincial assurance that this is the route most commonly used for cars crossing to Vancouver Island; and the car-ferry is in a sense part of the Trans-Canada Highway, which continues from Victoria up island to Nanaimo.

The problem: Extension of the **PGE** railway from Prince George to the Peace River Block. The B. C. premier wants a federal subsidy of $25,000 a mile for the whole line. Ottawa has so far promised it only for the first 50 miles north of Prince George.

The two main difficulties Ottawa faces about this are these:

1.—Mr. Bennett is determined to press on with the Peace River extension just as fast as the crews can work. He wants to call tenders almost immediately for the whole line and get the whole thing finished, if possible, within a year (FP, Nov. 17). But Ottawa is trying to restrain, not accelerate, the pace of new capital works in an economy which will again be overstrained next year.

Feasibility Questioned

Would it be feasible, perhaps, to promise Mr. Bennett his subsidy at the previous rate — say 50 miles per year — and thus persuade him to stretch out his planned extension?

It's everybody trying to do everything at the same time that can really land us in trouble, federal authorities say. So they're anxious, so far as it's possible, to get these projects spread out.

2.—The advice the Federal Government gets about economic traffic patterns doesn't fully support the B. C. Government's view that most of the traffic from the Peace River will automatically flow straight down the **PGE** to Vancouver.

Freight from the first part of the Prince George-Peace River extension (up the Pine Pass), they say, will be mostly lumber; and most of it will be diverted to CNR tracks at Prince George on its way to the Prairies.

At the northern end of the line, these authorities also claim, a major part of the traffic would flow, not west and south by the PGE's new route to Prince George and Vancouver, but east and south to the end of the **Northern Alberta Railway**, and then down the **NAR** to Edmonton.

This argument about the economics of the proposition also causes some hesitation about the federal help which should be given.

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Wearing Apparel, Footwear Survey Planned by APEC

MONTREAL (Staff) — Representatives of industry and government from the four Atlantic Provinces are meeting in Saint John, N.B., this week to renew the attack on the Atlantic Provinces' economic ills and shortcomings.

The occasion: The first annual meeting of the Atlantic Provinces Economic Council. In addition to council members, the premiers of the three Maritime Provinces will be on hand for the meeting. Newfoundland's Premier Joseph Smallwood is in Europe at present and thus will not be able to attend.

A new organizational plan designed to provide area representation to augment the Council's executive will be among the proposals to go before the meeting.

Purpose of the area appointments is to create a "grass roots" movement to enable services of the Economic Council to be carried to the smallest village, hamlet, or into rural areas themselves. Problems such as consideration of a new type of commercial activity, request for a market survey, a review of management problems or details and methods of financing could thus be brought before area representatives by local businessmen.

Other topics:

- APEC's producer-buyer survey of wearing apparel and footwear in the Atlantic Provinces.
- The Maritimes Transportation Commission's work in the study of and assistance given in transportation matters.
- APEC's agricultural program.

Guest speaker is the Hon. George C. Marler, minister of transport.

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N.S. Looks For Industry

MONTREAL (Staff) — Nova Scotia's new Progressive Conservative Government this week was getting down to what seems to be its most urgent job—attracting new industry.

Last week Premier R. L. Stanfield and his cabinet were sworn into office, ending a 23-year Liberal reign in Nova Scotia. The Stanfield Government comprises five barristers, a farmer, a druggist and a mine office clerk.

Attracting much-needed industry was a major election issue. Tenor of the inaugural convention of the merged Nova Scotia Federation of Labor in Halifax last week appears to lend credence to a fairly general belief that insufficient industrial development was a prime reason for the Liberal defeat.

Premier Stanfield has taken over the office of provincial treasurer, also holds the education portfolio.

Other cabinet members:

G. I. Smith, Truro barrister and deputy house leader: minister of highways and provincial secretary.

R. A. Donahoe, Halifax barrister: attorney-general and minister of health and welfare.

R. Clifford Levy, Bridgewater barrister: minister of municipal affairs and minister of lands and forests.

Stephen T. Pyke, Springhill mine payroll clerk: minister of labor and public works.

E. D. Haliburton, Avonport farmer: minister of agriculture and marketing.

E. A. Manson, Sydney druggist: minister of trade and industry and minister of mines.

M. Layton Fergusson, Glace Bay barrister: minister without portfolio.

Canada builds world's deepest causeway

Crossing the rough, icy Straits of Canso between Nova Scotia and Cape Breton Island once meant a slow, drawn-out trip by ferry—*when* it ran. Now, on a massive causeway of dumped granite three-quarters of a mile long, 200 feet deep and with a base spreading 800 feet across at its deepest point, cars and trains can at last make their own way across the Straits; a constant, two-way stream of traffic bringing trade, tourists and increased prosperity.

Blocking the great depth of the Straits of Canso called for immense quantities of rock. This was taken from Porcupine Mountain which overlooks it. From there, the contractors, the Northern Construction Company and J. W. Stewart Limited, excavated 10 million tons of rock using only seven Atlas Copco rock drills for 90% of the quarrying. With this compressed air drilling equipment Canso Causeway was completed in the short time of twenty-eight months.

Protecting plants in Dutch nurseries

Compressed air is versatile. Atlas Copco provide the means for all its many applications. After competitive trials, a number of Ecco spray guns manufactured by the paint-spraying division of Atlas Copco are now being used in Dutch nurseries for spraying plants with insecticides. The guns, which can spray 15 ounces of insecticide in only 75 seconds, are driven by small Atlas Copco air compressors.

Atlas Copco puts compressed air to work for the world

The Atlas Copco Company in Canada is Atlas Copco Canada Ltd. with branches in Truro, Montreal, Toronto, Kirkland Lake, Port Arthur, Edmonton and Vancouver.

CP-1008

Festival Group Adds to Directors

Eight new members have been elected to the board of governors of the **Stratford Shakespearean Festival Foundation of Canada** for the 1956-57 season. They are:

Donald Gordon, president, **CNR**, Montreal; M. C. G. Meighen, president, **Maxwell Meighen and Associates Ltd.**, Toronto; R. G. Thomson, president, **Schell Industries**, Woodstock, Ont.; Ira G. Needles, president, **B. F. Goodrich Co.**, Kitchener, Ont.; Lawrence Freiman, president, **A. J. Freiman & Co., Ottawa.**

Erwin Schuller, president, **Canadera Ltd.**, Toronto; W. P. Gregory, QC, mayor of Stratford; L. G. Webster, vice-pres., **O-Cedar of Canada Ltd.**, Stratford.

Continuing members of the board are K. D. Crone, Hans Buscher, Archdeacon F. G. Lightbourn, Mrs. K. B. Schlotzhauer, Stratford; Alex Graydon, Dr. H. A. Skinner, London, Ont.; Mrs. Gordon Honsberger, Kitchener, Ont.; J. W. Kerr, Hamilton; Robertson Davies, Peterborough, Ont.; Nicholas Monsarrat; F. S. Chalmers, N. E. Kaye and R. A. Stewart, Toronto.

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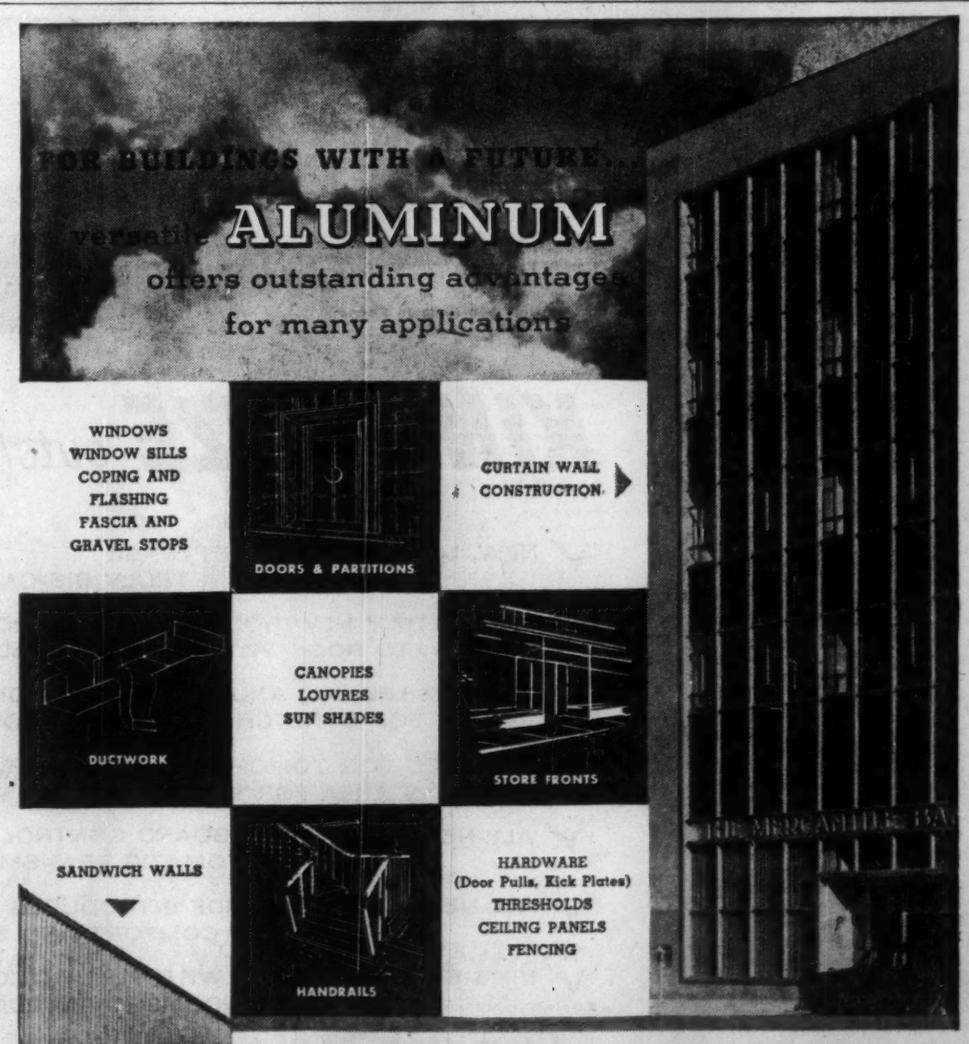

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How to Put an End to Rural Poverty

Some Changes in Methods of Land Use Are Seen Essential

Why are some farming areas rich, some poor?

It's not all a matter of soil and people, says J. K. Galbraith, professor of economics at Harvard University. Early land settlement patterns established a rigid system of farm size which was not always economic. Here he discusses the problem and policies for its solution.

Ontario-born, 1931 graduate of the Ontario Agricultural College, Prof. Galbraith's recent address was the first Morrison Memorial Lecture at OAC in honor of James J. Morrison, secretary of the United Farmers of Ontario from 1914 to 1933 and known as "father of the Ontario Farm Movement."

By Prof. J. K. GALBRAITH

We have been callous in our unconcern for rural poverty. But our neglect has a deeper foundation. In a world of advancing real income it has been our ultimate conviction that such poverty must be transitory. Progress was assumed to be general. With just a little time, the people in the poor farm areas would either master their environment or they would move away. In the meantime there was nothing much we need to do.

This optimism, we now see, is misguided. The rigidity of land as a resource is too great; people cannot bring off the reorganization that would be required. And they do not disappear. In the past our notion of what could be done has been largely confined to three things:

(1) the provision of technical services or extension;
(2) the provision of credit;
(3) assistance in relocation.

These measures obviously assumed that resources could be reorganized with a little help and that people would move with a little assistance. These assumptions are untenable. As a result the Fabian efforts of the past to deal with rural poverty have been unsuccessful. We may expect that they will continue to be ineffectual.

The lesson is that the rural slum will yield only to the kind of action which has been required for the urban slum. There must be a clearly spelled-out goal for the area — one that promises those that continue to live there a decent income — and there must be a redevelopment plan.

Since land is the immobile factor, the clue to success is the device by which we reorganize land use. (This is also true of the urban slum. Plainly, to land people who are now on the land some money, give them some advice, and hope that they will be able to acquire land and effect the necessary reorganization will not work.

I strongly suspect that we shall get rid of rural poverty only when we are prepared to go ahead with public land acquisition in these areas on a very large scale.

What Makes Poor Farms?

What are the causes of income inequality in agriculture — an inequality which seems at times to be associated with the quality of the physical resources and which seems at other times to bear no such relation? How may we make a measure of scientific sense out of this evidence?

I would like to offer an hypothesis which seems to me to fit generally the facts. It begins first with what we may call the "settlement pattern" — the way in which the land was originally divided and occupied. This settlement pattern stamped itself deeply and durably on every farm community. It especially influenced farm size. The fact that the original unit was 100 acres, in much of Ontario, or 160 acres in much of the U.S., did much to determine the eventual form and scale of farm operations. It also determined the density of the rural population and the nature of the rural communities.

One fact about this settlement pattern is important above all others: It made very few concessions to the physical characteristics of the land.

In both Canada and the U.S. during the last century — the great century of settlement — the basic commitment was to the idea of the family-sized farm. This was simply defined in terms of area. It was not adjusted for topography, fertility or climate. Not until 1909 did the Enlarged Homestead Act take general account of the need for much more extensive land use on the arid lands of the U.S. West.

Given this settlement pattern and given its rigidity, the reason for inequality become clear. In some instances the pattern was wrong from the beginning. The accepted land area would not sustain a decent living in any possible combination with other resources. Farmers who stuck it out — as did many in the Northern Lake States, for example — continued to have low incomes.

In many other areas what had been a satisfactory settlement pattern was made obsolete by improved transportation and increased regional specialization or by changing technology. When agriculture was self-sufficient, or engaged in providing a variety of products to local markets, small diversified farms operated by hand labor were very satisfactory. They could not compete with the specialized and (later on) the mechanized production of other areas. Nor was mechanization possible on these units. As a result, where other areas went ahead, these small and more nearly self-sufficient units fell behind. With time they became our rural slums.

A Rigid Pattern

It is plain that the critical factor in this analysis is the rigidity of what I have called the settlement pattern. If this were not rigid, then initial errors resulting in too small a scale of operations could be corrected by inceasing the acreage. And an area which was suffering obsolescence could avoid its fate by increasing the size of its farm units until, again, the appropriate extensification had been achieved.

For many years now economists have been inclined to argue that land has few, if any, important peculiarities as a factor of production. Like capital or labor, land inputs are assumed to be subject to increase or decrease as economic circumstances suggest.

In fact, in good commercial farming areas this adjustment of the land factor may not be difficult. Farmers have ready access to credit. There is an active market in land of reasonably uniform quality.

But as always the danger is in excessive generalization. What is easy in good farming areas becomes difficult or impossible where farmers are poor. Such farmers do not have access to capital. The very fact that an area is obsolescent means that incomes are low and uncertain, which means in turn that farmers are poor credit risks. In stony, swampy, or rugged country, moreover, farms are also less easily enlarged.

In such areas the appropriate extensive use may be very extensive. Commonly it will not be arable agriculture at all but grazing or the production of forest products. The economic unit must be large. Such radical shifts — especially where forestry is indicated — are very difficult to make.

Tendency to Stay Home

Finally you will ask why people do not leave these low-income areas. Of course, to a considerable measure, they do. But generally in the poor areas, while some people move, others do not. Plainly, a great many people, either from inertia or from choice will always seek to remain in the community of their birth. People, like pigeons, have a strong homing instinct. Given a high birthrate — a usual feature — enough people remain to perpetuate the problem.

There is another reason people do not move and that is because the poor community prepares them badly for anything but their present life. Where incomes are low schools are poor, and schooling is limited. In these communities health facilities are also poor or wholly lacking.

And, worst of all, minds are dulled by unrequited toil and privation or, worse still, by the enforced idleness of farms which have only a limited capacity to absorb useful labor. Like the urban slum, the rural area destroys the people it harbors.

ANNOUNCEMENT

New Howard Smith Directors

M. WALLACE McCUTCHEON — JOHN A. McDOUGALD — E. P. TAYLOR — COLIN W. WEBSTER

M. Wallace McCutcheon, John A. McDougald, and E. P. Taylor, all of Toronto, and Colin W. Webster, of Montreal, were elected directors of Howard Smith Paper Mills Limited at a meeting of the Board of Directors, according to an announcement by the Chairman and President, E. Howard Smith.

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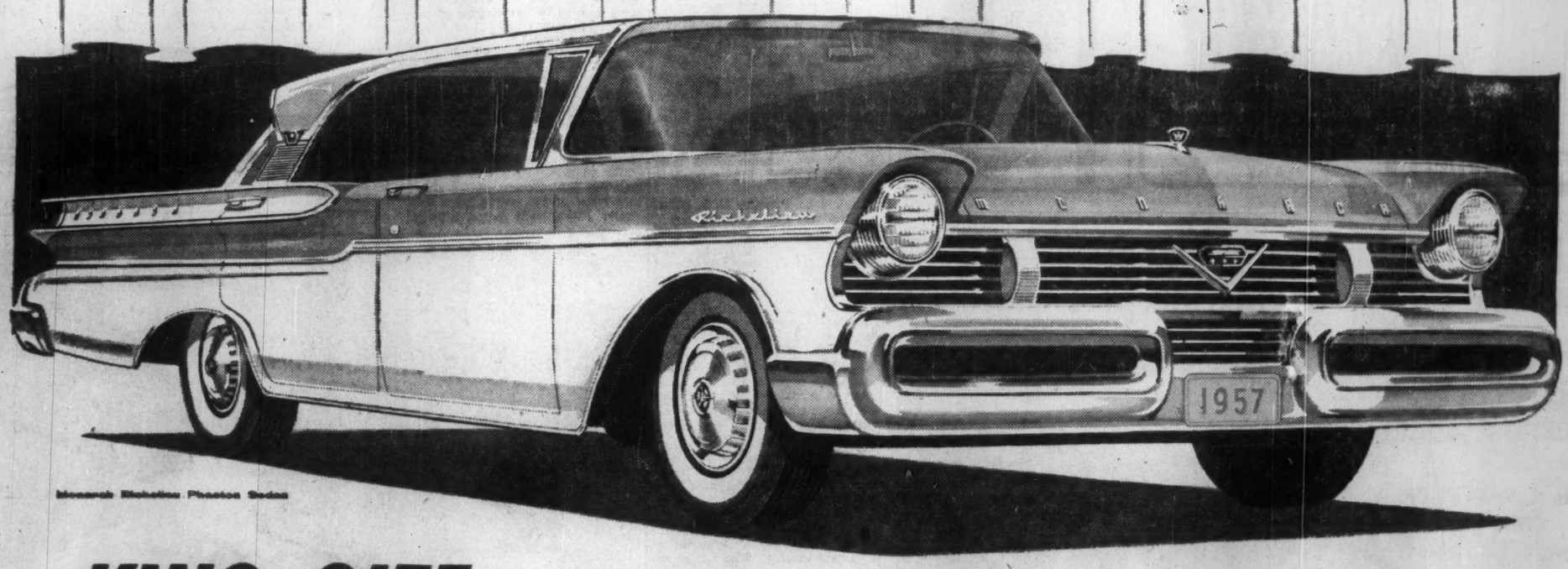

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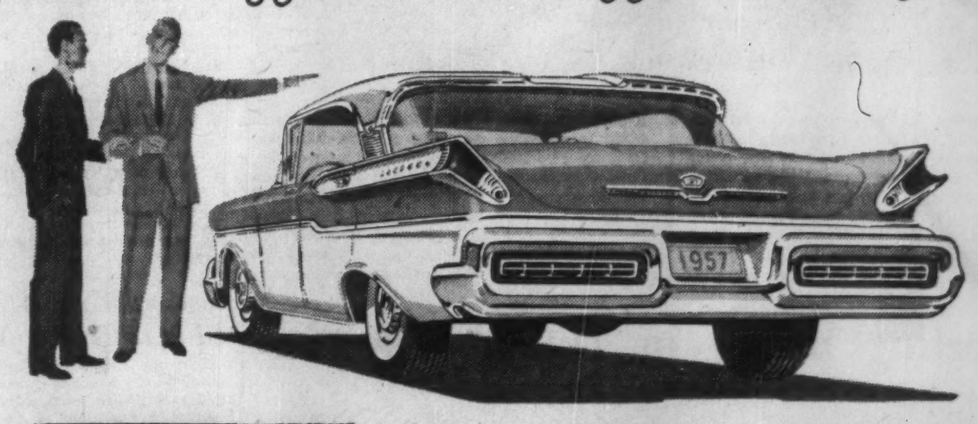

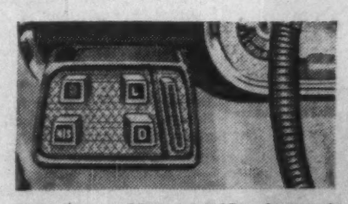

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This is a new calibre of Monarch, the longest, widest, most spacious Monarch of all time, built on a new frame of revolutionary design. Here's the first "air-borne" ride with new front suspension mounted on resilient rubber cushions. And Monarch's new 312 cu. in. V-8 with 9.75 to 1 compression ratio introduces new acceleration magic—new fuel economy. Yes, the '57 Monarch is all new—and bumper to bumper, road to roof it's *fired with the spirit of the future!* Come—see for yourself!

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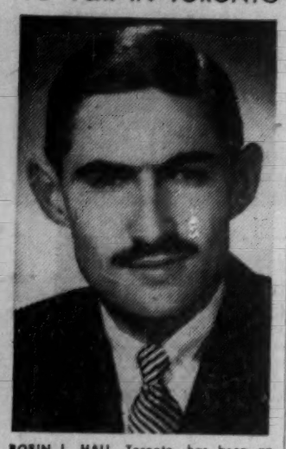


ROBIN L. HALL, Toronto, has been appointed to the client contact staff of Young and Rubicam Ltd., Toronto Office. It is announced by R. B. Collett, Vice-President and Manager. Following advertising agency experience in his native Australia and in England, Mr. Hall came to Canada in 1952 and has been employed in creative and account executive capacities with agencies in both Eastern and Western Canada.

Can Our Economy Keep Up the Pace?

Finance Minister Warns of Shortages, Rising Costs

Canada's economy is operating at an all-out pace. That means the pressure gauges have to be watched. Says Finance Minister Walter Harris:

- **We're borrowing faster than we're saving.**
- **New investment is higher in Canada than in most other countries; and higher than in the U. S.**
- **To avoid inflation we must not try to operate the economic machine above its physical capacity.**

Here is a digest of a speech by Mr. Harris at a meeting of the Toronto Chapter of the Institute of Life Underwriters and the Life Underwriters Association of Toronto.

By Hon. WALTER HARRIS

That there is a disposition toward a rate of spending somewhat greater than the economy is physically capable of supporting cannot, I think, be doubted.

There is evidence of it everywhere:

- Frequent and widespread reports of labor shortages.
- Cases where construction or output is limited by material shortages.
- Some costs are rising strongly especially—but by no means exclusively—in the case of capital goods and construction.
- Imports have risen rapidly and continued at a high level, a consequence in large part of current high level of investment.

Major reason for this pressure on resources is the tremendously high level of capital expenditure.

Heavy investment is taking place in resource industries, manufacturing and service industries, in provincial, municipal and other capital projects. Total capital expenditure in 1956 will be about $7.5 billion, about 25% greater than in 1955 — and even at this level some planned expenditures will have had to be postponed because of physical shortages of materials and labor.

This rate of new investment is proportionately higher in Canada than in most other countries and indeed is higher than in the U. S.

It is for this reason that the Bank of Canada has been resisting the expansion of credit and the money supply.

Rate of spending is rising strongly. Can the pressure of increased spending continue to be kept within safe limits by the normal self-correcting forces of the market and by appropriate fiscal and monetary policies?

Restraint Needed

If these forces are to work effectively, it is important that business enterprises, governments and citizens generally should understand the need for policies of restraint.

The basic fact is:

Canadians are trying to borrow at a rate which is outrunning the rate of savings by the rest of the community.

Supply of savings in Canada and savings brought into Canada from abroad is greater than ever before—but the various demands for these savings have been increasing still more rapidly.

Some are forced to defer expenditures. In the process of competing for funds, would-be borrowers have bid up the price of money against one another. That is, interest rates have risen.

These borrowers include federal, provincial and municipal governments, public utilities, manufacturing concerns, mining enterprises, installment finance companies, retailers and house builders among others.

Capital funds have become more scarce and more expensive simply because the demand for borrowed funds has tended to grow faster than the supply of savings. If I seem to be laboring this point, it is because the belief seems to exist in certain quarters that the shortage of loanable funds and the resultant rise in interest rates are unnecessary and have been deliberately created by the Bank of Canada.

The Bank has refused to assist in the extension of credit on a scale where all demands for money could be met without any increase in interest rates. This would have meant too much money competing for available goods — and would have made inflation a certainty.

The more successful we are now in avoiding inflation, the more likely we are to have continued healthy growth of our production and living standards in succeeding years.

Consumer Credit

To the extent that total consumer credit outstanding increases, the rate of spending on consumer goods and services is increased. Additional spending is facilitated.

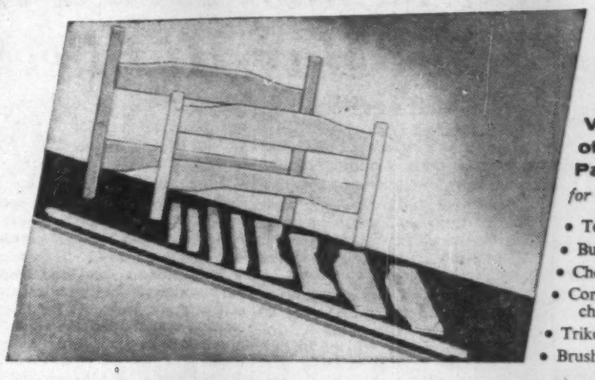
Consumer credit outstanding is about $700 per family.

This is 20% higher than a year ago; 60% higher than in 1953.

Discussions have been held between the chief financial institutions concerned and the Bank of Canada. This is only a continuation of discussions held in other branches of the economy and where helpful co-operation has been obtained.

With the tendency for the over-all rate of spending to run ahead of the over-all rate of availability of goods and services, it is difficult to believe that it is either useful or desirable at this time to have the stimulus of continued increases in consumer credit.

In summary—we must not try to operate the economic machine above its physical capacity.



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Canadian Travel Advisors Ltd., (CTAL) will soon offer package tours to Miami and other Florida centres.

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The thirty-sixth Annual General Meeting of The Cementation Company Limited will be held on December 13 in London.

The following is an extract from the statement by the Chairman, Mr. A. R. Neelands, circulated with the Report and Accounts for the year to March 31, 1956.

Trading Profits of the Group for the year ended 31st March 1956 are £680,665, £48,525 more than published last year. The consolidated accounts this year incorporate those of a foreign subsidiary not previously consolidated. After making the necessary adjustments to last year's figure the increase in Trading Profit is £10,464.

There is a slight reduction in the over-all charge for Taxation but because of the increased amount required for dividends on the new Capital and the Distribution Tax thereon at an increased rate, the charge for Profits Tax is increased by nearly £35,000. The net profit figure after taxation is £15,000 more than last year.

In spite of rigid control of Capital Expenditure the amount spent on Fixed Assets for the Group this year is of the order of £1,400,000 or £600,000 more than last year which with the financing of contracts fully occupied our available liquid resources. Towards the end of the year under review we raised further finance by an Ordinary Rights Issue and a further issue of Unsecured Loan Stock.

In Cementation itself our largest single Contract is abroad in Iraq at the Dokan Dam. Specialist Cementation work in England continues to play a most important and valuable part in our constructional work.

Piling is occasionally associated with Cementation as a possible alternative and occasionally as an accessory but our Piling business today—even though perhaps not so wide spread—is in quantity greater than Cementation.

Our principal Subsidiary Company at home, Messrs. John Thom Limited, who are engaged in well drilling, mineral drilling and prospect drilling, had a good year.

With your consent we propose to pay a dividend of 12½% on the ordinary shares—the same as last year, but on an increased capital.

We have appointed Mr. J. S. Crawhall, the Managing Director of Cementation (Africa), a Director of the Parent Company. We have also appointed to the Board Mr. F. G. Atherton and Mr. C. F. Grundy, Directors of Cementation (Contracts).

See Trans-Canada Gas Line Improving Trade Balance

Here are ways in which the **Trans-Canada** gas pipeline project can help overcome Canada's unfavorable trade balance with U. S., according to A. P. Craig, vice-president of Trans-Canada in an address to the Canadian Institute of Mining & Metallurgy at Sudbury:

1—Last year Canada imported approximately $10 million of sulphur from the U. S. When the stripping plants are operating on the Trans-Canada gas stream, about 1,000 tons of sulphur daily will be made available for Canadian use or export. That's enough to balance out that $10 million unfavorable sulphur import balance.

2—Every year many millions of dollars of propane are bought in the U. S. and hauled a thousand miles or more by tank car to Canadian markets. The stripping of the Trans-Canada gas stream will probably result in having propane to export.

3—Last year, Ontario alone used about $75 million worth of imported U. S. coal. It is estimated that by 1962 natural gas will displace about one third of that U. S. import — resulting in another $20 million U. S. dollar saving in Ontario alone.

4—The thousands of miles of large diameter pipe required by the Trans-Canada project and the system building plans of distributors was very influential in the decision to build a multi-million-dollar large diameter pipe mill at Welland, Ont. The new Welland mill will have capacity for between 200,000-300,000 tons of 20-36 inch diameter pipe for the oil and gas industry. This tonnage is valued today at between $40-$60 million per year. Suppose the plant operated at one half maximum capacity, there is then a potential saving of about $30 million in U. S. dollars per year.

5—Another phase of the Trans-Canada project which will improve the trade balance picture is the sale of natural gas to the U. S., piped to the U. S. border south of Winnipeg. That sale is inevitable and we believe it will take place within the next two years. It will produce initially about $20 million U. S. dollars per year and it is almost certain to grow to $35-$40 million within the next five years.

6—Trans-Canada has knowledge of a number of confidential projects that will cost tens of millions of dollars and employ thousands, and will create new wealth for Canada as well as helping make us more economically independent, by saving U. S. dollars.

"It is not hard," he said, "to put your finger on over $100 million savings per year as a direct consequence of building an economic transmission line between the natural gas supplies of Western Canada and the markets of Central and Eastern Canada."

To illustrate the likely rapid growth of the gas market in Canada, Mr. Craig drew attention to two recently completed multi-million-dollar gas sales contracts with Ontario utility companies. Both of these companies finally negotiated contracts calling for more than double the gas volume originally discussed.

Two years of actual experience with U. S. imported natural gas, and an aggressive program of system expansion and loading had, he said, resulted in increases in contract volumes of over 50% for the first year of Canadian gas use rising to 250% by the fifth year.

Pakistan to Get Two Turbines

MONTREAL (Staff) — **Dominion Engineering Co.** has received an order to supply two 9,000-hp Kaplan turbines for the Shadiwal Canal hydro-electric development in Pakistan.

The turbines, an adjustable-blade type, will be the first of this kind manufactured in Canada for export. Although the power developed by each turbine is said to be modest by present-day standards because of the low head available, the flow through and physical dimension of the turbines will be large.

The turbines were ordered by the Colombo Plan Administration of the Canadian Government as part of Canada's contribution to Pakistan under the Colombo Plan.

The Shadiwal development, located eight miles north of Lahore, is an irrigation as well as a power project.

Wholly designed by Dominion Engineering Works' design and engineering staff, the turbines will be manufactured in the company's shops in Lachine.

Dominion Engineering is also manufacturing four 55,000-hp Francis type hydraulic turbines and six big 18-ft.-diam. butterfly valves for the Warsak development in Pakistan at present. These are also being supplied under the Colombo plan.

H. G. Acres & Co. of Niagara Falls, Ont., is acting as consulting engineer for the two projects.

AUSTRIAN WINE

Four fifths of Austria's wine production of approximately 26 million gallons is exported to West Germany.

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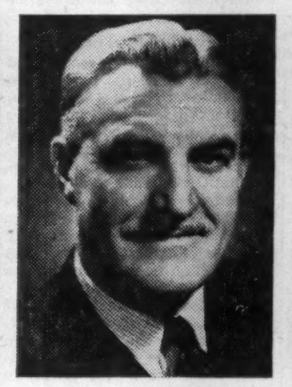
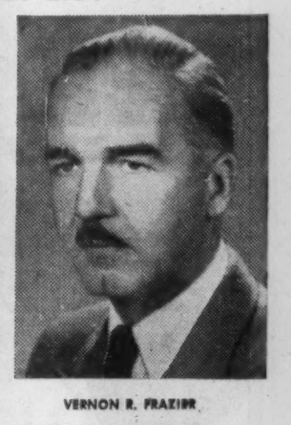


JOHN HOLDEN

W. ALLAN HOLMES



VERNON R. FRAZIER

The Directors of the London & Lancashire Insurance Co. Ltd., of London, England, announce that as from 30th November, 1956, Mr. Douglas A. McRae, Joint Manager, Toronto, retires on pension, after many years' service with the Company.

The following appointments at Toronto become effective as from 1st December, 1956: Mr. George F. Burne, Manager for Canada; Mr. John Holden, Assistant Manager for Canada; Mr. W. Allan Holmes, Manager, Ontario Branch, and Mr. Vernon R. Frazier, Secretary, Ontario Branch.

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Christmas Tree Prices Rising Sales May Hurdle $12 Million

By HENRY PRYSKY

What started as a "fly-by-night" affair has now developed into Canada's multi - million dollar Christmas tree industry.

This year indications are that sale of trees to the U. S. and on the Canadian market will exceed all previous records, both in the numbers and dollar value.

Total sales this season are expected to top $12 million for 20 million trees.

Prices probably will be higher.

Canadian railway officials predict this will be the busiest season ever for exporting trees to the New England states and to more distant points like Miami, Chicago and cities in Texas.

CNR and **CPR** expect to use 7,500 cars to transport about 15 million trees to the U. S. this year, with only a few truckloads going via road.

Here is the outlook:

- Canadians and Americans may have to pay more this year for their Christmas trees. But they should get better value for their money.
- Prices quoted for 1956 by U. S. buyers are slightly higher than last year, around 50c a tree for balsam fir and in the $2.50-to-$10 bracket for 8-ft. Scotchpine.
- Pushing dollar value up are the increasing number of premium trees being sold to buyers willing to pay extra to ensure quality.
- But Canadian retail prices will vary widely. Table type trees will sell at from 50c to $1 for 4-ft. or less. In most urban areas the home tree range will be from $1 to $5.
- Sales to U. S. are expected to top the $8 million mark from about 15 million trees—a 33% dollar increase from 1955.
- Domestic sales in Canada are expected to hit the $4 million mark. A few trees will go to Cuba and Bermuda.
- Canadian railways and other transport services expect a bumper year in transporting trees.
- This lucrative trade will benefit thousands of Canadians who find employment in this industry during off-season farming and woods operations.

Distribution points for Canadian trees arriving in the U. S. have been designated at Newark, Pittsburgh, Kansas City, St. Louis, Seattle and Los Angeles.

Bulk of the Canadian trees will be sold in Boston, New York, Buffalo, Detroit, Seattle and other northern cities.

The Big Suppliers

Biggest share of trees destined for U. S. markets come from British Columbia, the Maritimes, Ontario and Quebec.

In New Brunswick, biggest shipper of export trees, arrangements are well ahead to meet traditional U. S. demand.

Hundreds of railway flatcars will rumble across the border from New Brunswick in early December, carrying more than three million trees as far south as Miami.

The trade is worth about $2 million to New Brunswick cutters. This year the emphasis is on quality because cutters are realizing there are bigger profits in better quality.

"Eventually," says Everett Trites, of Fredericton, N.B., who heads the N.B. Christmas Tree Producers Association, "the careless cutter is going to find himself out of business."

New Brunswick cutters face stiff competition from other provinces for the U. S. market.

Canadian National Railways officials are optimistic. They expect to move about 4.5 million trees from New Brunswick next month.

The same picture is painted for Nova Scotia, which expects this year to produce about 15%—or close to three million—of all the nation's trees.

Ontario is moving up fast as a producer with a profitable Scotchpine production, is expected to provide about 4.5 million trees; Quebec will produce two million and B. C. more than four million.

"Wild" Trees

Maritime shipments, expected to exceed 4,000 carloads, are mainly natural or "wild" trees from forests of spruce and balsam firs; from Ontario, the bulk of the crop is Scotchpine raised on cultivated woodlots, while B. C. forests yield Douglas fir in quantity.

In their efforts to promote the Christmas tree industry an increasing number of Canadian growers and sellers are sprucing up their business with more careful growing techniques, greater attention to grading and better retail methods.

While the U. S. market for Canadian trees is growing steadily, American buyers are becoming more and more choosy in selecting trees.

Seeking to improve the quality of Canadian trees sent across the border, growers are eyeing the merits of the grading system in the U. S.

The system, operating in Montana, which is a major U. S. producer, describes No. 1 or premium trees as symmetrical on four sides; No. 2 as "all right for foliage" on three sides, and a No. 3 or utility tree as suitable for a corner, having two good sides.

Canadian producers stress the need for more careful growing methods, plus high ethics, as major requirements for building up quality and markets.

Our Share

Each year Canada supplies about one quarter of the Christmas trees used in the U. S.

Last year Canadian shipments exceeded 13 million trees worth approximately $6 million.

Putting it another way, it's estimated that, of every 10 Christmas trees cut in Canada, at least eight find their way across the border.

The U. S. preference: First, balsam fir; spruce comes next, then pine and cedar.

Most popular on the American market are trees of from five to six ft. and, in all heights, customers want straight-sawn butts. Becoming more popular, too, is the small table tree from one to three feet high.

The table trees are usually treated with a secret chemical preservative which gives them a white or silvery appearance and packed individually in cardboard cartons, completed with a metal or wooden base containing tree sap. American super-markets are the largest outlets for this type of tree.

The smaller trees are usually in demand by the city apartment dweller who has become accustomed to picking up most household needs with his groceries. This trade is growing in the U. S.

Canada's Christmas tree trade is especially beneficial to the small farmer by providing him with a much needed cash crop at a time when money is scarce.

The cutting season usually starts around Oct. 15. Thousands of unemployed thus find work.

A careful check of all trees shipped to the U. S. is being maintained by department of agriculture experts stationed at border points. They inspect shipments for disease and insect pests.

Millions For Mink Breeders At Montreal Auction Sales

MONTREAL (Staff)—Fur buyers from Canada, the U. S. and Europe will gather in Montreal next week to attend a series of mink auction sales which mark the opening of the new fur marketing season in North America.

In four sales to be held between Dec. 4 and Dec. 22, the first part of this year's Canadian mink crop — some 200,000 mink skins valued at between $4 and $5 million — will go on the auction block.

Early indications are that it should be a good year. Industry officials anticipate that quality mink should do well, but the going may be a bit rough for mediocre or inferior skins.

Here are some of the indicators:

—There is active interest in fur coats, jackets and stoles on the retail level and the garment industry foresees a "big mink trimming year" on cloth garments.

—Skins to be offered at the auction sales will come for the most part from the 1956 crop: there is little carry-over from last year.

Credit Squeeze May Hit

But there are some offsetting factors:

The general "tightness" of money may make it difficult for the trade to finance purchases. This may result in a lengthening of the selling season.

Another question is the effect that the current Middle East situation will have upon the European luxury goods market. This could affect the sale and price of skins.

The 1956 Canadian mink crop (excluding wild mink) is estimated at between 850,000 and 900,000 skins, up 50,000 skins from the previous year. Two thirds of the skins will be of the mutation or pastel shades variety, the balance will be dark mink.

World mink production has increased at a greater rate than the Canadian production. Total 1956 crop is estimated at 6.5 million skins, an increase of over 1 million skins over 1955. The increases are largely in the U. S. and in Scandinavia.

Canadian wild furs will be available in scattered quantities from now on, but sales will start in earnest early in the New Year. The most important furs are beaver, muskrat and otter with lesser emphasis on ermine, squirrel and raccoon.

Two companies, **Hudson's Bay Co.** and **Canadian Fur Auction Sales Co.**, sell furs on the primary level in Montreal.

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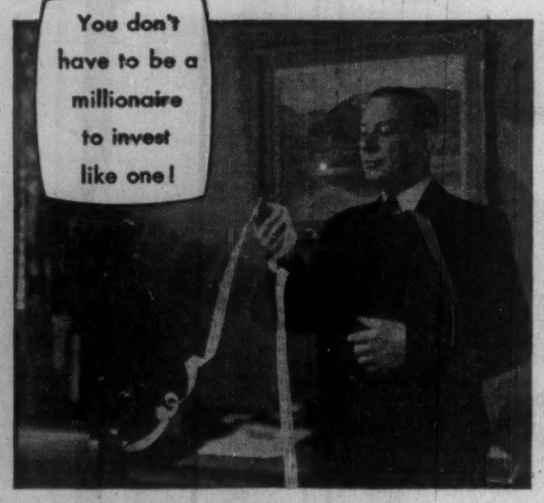

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HEAD OFFICE: WINNIPEG • OFFICES IN PRINCIPAL CITIES

This Immigrant Had An Idea Worth $300,000 in Business

MONTREAL (Staff) — There's ample opportunity in Canada for secondary manufacturing for those who are willing to look hard for a suitable product to make—so why be content with buying imports and exporting raw materials?

That's the opinion of energetic, Hungarian-born Nicholas J. Fodor, Montreal, head of **Electrovert Ltd.**, a lusty, young (established 1952) Canadian company that has already flexed its manufacturing muscles in the country. It has started to invade the U. S. market.

By way of illustration, he points to "Cantrough" — a cable trough system—one of the lines that Electrovert handles. Only two years ago most of the cable trough used in construction of Canadian electrical installations was imported, mostly from the U. S.

While in England on other business matters, Mr. Fodor came across the patent for Cantrough, which product he reasoned could be profitably produced and sold in Canada. He bought a license and made a deal with Medland Enterprises Ltd., Toronto, to make the cable troughs for Electrovert.

The product was put on the Canadian market in May of last year. In 1955 Electrovert did a $60,000 volume of business in this line. In the first ten months of this year, the company has chalked up a $300,000 turnover in Cantrough. Prospects for future sales are even brighter.

Electrovert notes that its sales have already taken a sizable bite out of the volume of cable trough that formerly was imported into Canada.

When a British-invented plastic waterproofing substance, used to seal adjacent sections of concrete structures, was specified in the plans for various phases of the St. Lawrence Seaway and associated power projects, Electrovert went after and obtained the license for this item in Canada. Known as "Durajoint" and "Duraseal," the line is being made for the company by **Ontario Steel Products Ltd.**

The waterproofing material has gone over so well that Electrovert has expanded its operations into the U. S. An associated company, **Electrovert Inc.**, was established to handle sales in the U. S. The Duraseal and Durajoint sold there is partially manufactured in Canada and finished in the U. S.

The company considers the sales potential so good that it will spend $50,000 next year to promote the line via technical reports.

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ANNOUNCEMENT

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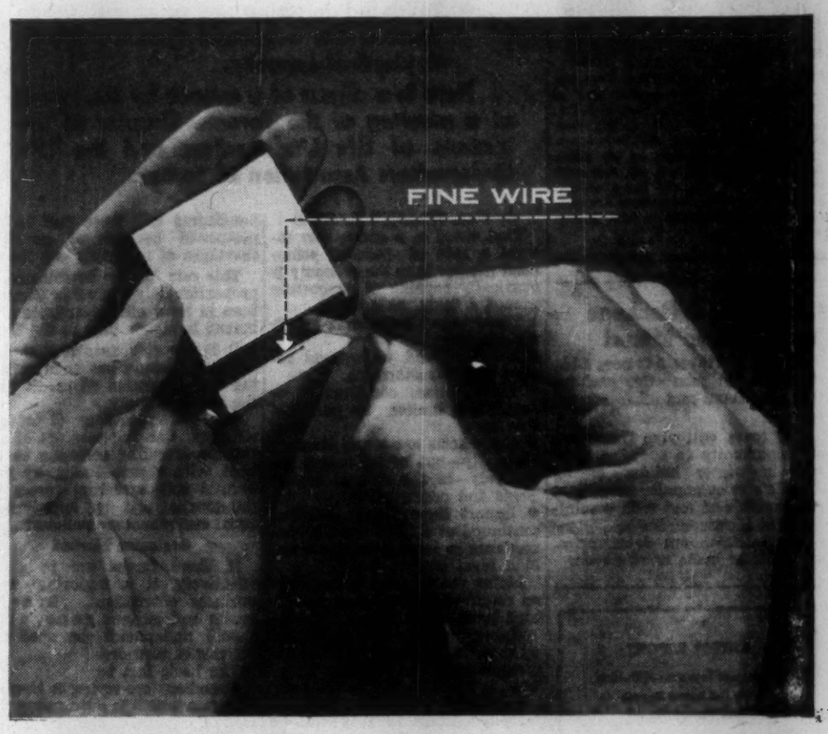
(formerly J. A. Beauchemin & Associates) announces the formation of BEAUCHEMIN-BEATON-LAPOINTE, Consulting Engineers in general practice. Partners in the recently reorganized firm are: J. A. Beauchemin, W. H. Beaton, H. Lapointe, R. O. Beauchemin and P. T. Beauchemin. All are members of the Corporation of Professional Engineers of Quebec and the Engineering Institute of Canada.



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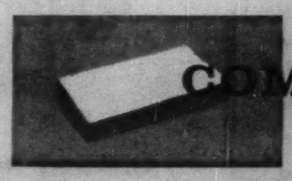

COMMERCIAL LEASEHOLDS COMPANY LIMITED
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ANNOUNCEMENT

The appointment of F. D. Oakey to the post of District Sales Manager, Toronto, is announced by G. S. McDougall, Manager of the British Overseas Airways Corporation in Canada. He will succeed G. W. W. Dodd, who has held this position since 1947.

Mr. Oakey has been transferred from Vancouver where he has served as District Sales Manager for B.O.A.C. since 1952. He joined B.O.A.C.'s predecessor, Imperial Airways, as a Radio Officer in 1937, and flew on European, South African and Far East routes. During the war he held the rank of Captain in the Royal Signals. Afterwards he rejoined B.O.A.C. in the Sales Branch as representative for the Midlands in England prior to being posted to Vancouver.

Mr. Dodd is returning to London to take up his new duties at Head Office as Sales Development Manager. Mr. Dodd joined Imperial Airways in 1939 after twelve years in the travel industry.

Seven Countries Offer Rights For New Manufacturing Ideas

New manufacturing opportunities from seven countries and ranging from portable grain handling equipment to colored aluminum yardsticks are included in the latest list compiled by the Industrial Development Branch of the Department of Trade & Commerce. Further information can be obtained from the Industrial Development Branch in Ottawa.

Based on reports from the owners, the list includes patents, techniques, formulae, processes, equipment, or technical and sales assistance.

Here is the list:

Grain Handling

French manufacturer of portable grain handling equipment is seeking a Canadian firm to make or distribute its screw conveyors, ventilating units and blower conveyors. The portable blower conveyors come in several sizes with capacities up to 350 bushels per hour.

These are equipped with rubber tires, an electric or gasoline motor, and an auger screw to pick up the grain and feed it to the air stream, but are compact and easily manoeuvred. A design of sectional grain bin and illustrated pamphlets are available.

New Anti-Corrosive

A British firm offers the Canadian manufacturing rights for a resin material developed after many years of research, and applied to a wide variety of processes and equipment where corrosion is a problem.

Available in several types with differing properties, the material is readily molded and machined. It has been used to date in valves and piping, tanks, vacuum filters, fans, fume extraction ductwork and a variety of other equipment.

The upper temperature limit is 265 deg. F., equivalent to 25 lb. steam pressure. Engineering firms building process equipment are invited to examine the brochures and engineering data available on loan.

Concrete Units

A Danish firm of engineers and builders offers its techniques, designs and experience in the field of prestressed prefabricated concrete units. It is reported that their assembly line methods save time and labor, and that the prestressed reinforcing saves on weight and material.

The claims for quality and economy also state that homes, multi-story apartments and industrial buildings have been built of these concrete units with excellent results in the Scandinavian countries, India and Pakistan.

Several designs of slender concrete posts for street lighting and telephone poles make an interesting example of the versatility of these techniques. A photo of lamp posts, and a reprint of an article are available for review.

Better Concrete Pipes

A Swiss firm has developed a method of making concrete pipes with a smooth, mirror-like finish on the inside, with a dense, small-grained, non-porous surface highly resistant to abrasion and corrosion. The advantages claimed are longer life and greater capacity for a given drainage gradient.

An illustrated leaflet is available, which shows the grinding of the bore and a schematic of their plant layout.

The technique is offered on a license-and-royalty basis.

Block Machine

A new Swedish concrete block machine which makes from 360 to 1,000 blocks per hour, semi-automatically, is reported to have aroused considerable interest in the U. S. and Germany. The rights to build and sell these machines in Canada are now offered. A number of units are in operation in different parts of Sweden and a license for Finland has been concluded with a company there. Others are said to be under negotiation.

For both bricks and blocks, the machine is operated by one man using electric and hydraulic controls. There are two hoppers feeding two sets of block molds shuttling back and forth on an electrically powered carriage. Two-stage vibration ensures a dense, clean block which can support a 400-lb. weight immediately after it comes from the machine.

Approximate cost, not including conveyor for finished blocks, would be about $4,500. Photographs and descriptions in Swedish and English available on loan.

Tire Clamp

Anyone who has had trouble putting on tire chains would appreciate this patented Danish clamp. It is said to be readily attached or removed in less than half a minute, even after the wheels have sunk into the mud or snow. Two clamps, one for each driving wheel, can be carried on the spare tire ready for use.

The clamp is made of wear-resistant metal in the form of a hinged jaw with a toggle lock to ensure a tight grip on the tire. A Canadian firm is wanted for its manufacture and for distribution. An illustrated leaflet and notes in English are available.

Tapes and Labels

American manufacturer of pressure sensitive tapes and labels offers experience, equipment and services, preferably to a firm established in the printing trade or graphic arts. This company originated roll printing of adhesive tapes in the U. S., it is claimed.

Products are widely used in commerce, industry and government. Will negotiate payment in the form of stock, share of profits, or royalty arrangement.

Aluminum Yardsticks

An Italian firm wishes to sell it designs and patent rights on a novel aluminum measuring stick which was recently exhibited at the Design Centre in Ottawa. The sample metric rods were solid flat bars with anodized finishing treatments, providing a choice of colors such as green, blue, red or natural aluminum. No other information is available at present.

Manufacture and/or distribution in Canada is what the Italian firm has in mind.

Soldering Tool

An American inventor offers Canadian manufacturers his patented device for easy soldering of electric wiring. The disadvantages and difficulties of a soldering iron for this work are eliminated by this device, consisting of a handle and metal cup which holds the liquid solder.

Each wire joint is dipped in the cup, and all joints in any junction box can be soldered in a fraction of the time formerly required. Description and sketch available on loan.

Tax System Of Marketing Board Queried

OTTAWA (Staff) — Farmers across the country used to the crutch of a producer marketing board may be headed for a short, sharp dose of operating on their own.

Reason: The Supreme Court of Canada last week finished a constitutional look at Ontario's system.

Decision should be early in the New Year.

Key questions:

1. Can Ontario's marketing boards control (as they do in practice, if not in design) outside-the-province trade — even with federal approval?

2. Is the charge to farmers for board service a direct (i.e. provincial) tax?

A "no" answer by the court on either question will mean the end of Ontario's system as it is at present.

And probably, too, the end of systems in other provinces which are all similar.

Both Ontario and the Federal Government hope the system passes scrutiny.

The court appointed constitutional expert John J. Robinette, QC, of Toronto, to argue it shouldn't.

An adverse decision on the tax aspect will mean a fast bit of legislative footwork by Ontario. A license system could be introduced.

But an adverse decision on the ground Ontario doesn't have the constitutional authority to back up the present setup — even with present approval of federal legislation — will mean months of federal-provincial huddling and red tape before a replacing system can be agreed on.

Then, farmers would have to hustle to sell their produce now marketed by boards by themselves. A great many of them want the chance.

Imperial Tobacco Offers To Buy Tuckett Pref.

MONTREAL (Staff)—**Imperial Tobacco Co. of Canada** has moved to take over the last publicly owned shares among its subsidiaries.

A letter has been mailed to preference shareholders of **Tuckett Tobacco Co. Ltd.** of Hamilton. It offered $155 per share (recently trading $135-$138) to shareholders selling to Imperial. Acceptance date: Jan. 10, 1957.

The letter, signed by Tuckett President Harry Wilson, said that for many years the company had been engaged principally in the manufacture of blended cigarettes. Recently, the letter pointed out, this type has been experiencing increased competition in the Canadian market from Virginia cigarettes. Tuckett has been able in the past to make full use of its modernized facilities as a result of orders received to manufacture certain brands of cigarettes of Imperial Tobacco.

Only as a result of the advantages of this and other arrangements, the letter says, some of which are reciprocal, has Tuckett been able to attain the earnings of recent years.

"In view of past developments and current trends," the letter continued, "it has been evident for some time that complete integration of this company with its parent organization may become essential in the interest of economy of operation, and in order to take advantage of further necessary alterations and improvements in our plant. Such an occurrence might result in the retirement of the 20,000 preference share at their par value of $100 each, and it is felt by both companies that this should be avoided, if possible."

Tuckett has been an Imperial subsidiary since 1930.

ANNOUNCEMENT

PHILLIPS WIRES AND CABLES

E. G. PURDY J. H. FITZGERALD E. H. McCANN

Mr. T. A. Lindsay, President of Phillips Electrical Co. Ltd., announces the appointment of Mr. E. G. Purdy, formerly Secretary of the company, to the newly created position of General Manager of the Pacific Division in Vancouver. In his new position, Mr. Purdy will be responsible for the operation of the company's $1,000,000 plant now being built on the West Coast.

Mr. J. H. FitzGerald formerly Assistant to the President is the new Secretary of the company. Mr. FitzGerald has been with the company for 23 years and brings a broad knowledge of the industry to his new post.

Mr. E. H. McCann, P.Eng., Methods Engineer has been appointed the Assistant to the President effective January 1st, 1957. He is a graduate of McGill University in Mechanical Engineering and took post graduate work at Massachusetts Institute of Technology. Mr. McCann joined Phillips in 1944.

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Company Reports

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

Milling

LAKE OF THE WOODS MILLING CO., Montreal, consolidated net profit for the year ended Aug. 31, 1956 was 53% higher at $359,810 ($235,156 in previous year).

Company's offer to purchase common stock of **Inter City Baking Co.**, Montreal, at $20 each was accepted. By year end company had acquired all the outstanding shares, reports President R. R. Hutchison.

Reduction in working capital was due to purchase of Inter City Baking shares, substantial additions and improvements to elevators, and provision for employees' contributary benefit fund.

This fund was set up on Sept. 1, 1956. Employees will get past service benefits and company will bear this cost entirely.

Company deducted $150,000 from surplus account as provision for contribution to fund. It also added to surplus reserves no longer required amounting to $400,133.

CONS. INCOME ACCOUNT		
Years Ended Aug. 31:	1956	1955
Net earnings	$760,863	$634,554
Less: Interest	.....	56,860
Res. for depr.	198,845	188,525
Inc. tax prov.	202,208	153,013
Net profit	359,810	235,156
Less: Pref. divds.	105,000	105,000
Com. divds.	206,765	132,930
Surplus for year	48,045	42,764
Earnings per Share and Dividend Record:		
Preferred	$23.99	$15.68
Paid	7.00	.700
Common	1.73	0.88
Paid	.140	.080

CONDENSED CONS. BALANCE SHEET		
As at Aug. 31:	1956	1955
Cash	$562,716	$399,682
Investments†	1	1
Accts. rec. less res.	6,855,070	5,334,117
Inventories	1,771,736	2,372,003
Total curr. assets	9,189,523	8,105,803
Inv. in cont. co.	1,488,108	712,671
Misc. assets	184,515	49,206
Fixed assets*	3,821,407	3,726,845
Goodwill, etc.	250,000	250,000
Total assets	14,933,553	12,844,727
Bank loans	1,753,000	227,000
Accts. pay.	1,129,236	642,293
Taxes pay.	153,773	149,502
Total curr. liab.	3,036,009	1,018,795
Ins. & oth. res.	.....	150,133
Inventory res.	.....	125,000
Adv. expd. res.	.....	135,000
Capital stock	4,453,780	4,453,780
Surplus	7,443,764	6,972,019
*After depr. of	3,766,617	3,712,109
†Market value	104,165	112,488
Working capital	6,153,514	7,087,008

Contingent Liab. at Aug. 31, 1956 Amounted to $148,057 re customers' paper under discount.

Food

BLUE RIBBON CORP., Winnipeg, showed a consolidated net profit of $110,638 for the year ended June 30, 1956 in contrast to net loss of $230,613 in previous year.

Already the expected economies from sale of chocolate plant are partially reflected in results. More stable markets and lower consumer prices have contributed materially to higher sales volume and the improved operating results, reports President S. W. Hoare.

Company sold buildings and equipment of Toronto chocolate plant in January to economize and improve trading operations. In recent years it has been increasingly difficult to compete with the larger Eastern chocolate and confectionery manufacturers, company says. It received a satisfactory price but incurred a loss on book value which resulted in a $60,380 charge to earned surplus.

Blue Ribbon resumed preferred dividend payments with payment of Aug. 1, 1956. Dividend arrears amounted to $42,642.

CONS. INCOME ACCOUNT		
Years Ended June 30:	1956	1955
Net earnings	$212,752	†$127,473
Less: Deprec.	102,114	108,251
Income tax res.	.....	25,111
Net profit	110,638	†230,613
Less: Pref. divds.	.....	42,642
Surplus for period	110,638	†273,255

†Loss or deficit.

Earnings per Share and Dividend Record:		
Preferred†	$6.49	d$13.52
Preferred‡	3.33	♦
Paid	nil	2.50
Common‡	0.83	♦

None paid.
†Before (†after) participation.
♦None available.

CONDENSED CONS. BALANCE SHEET		
As at June 30:	1956	1955
Cash	$80,312	$87,805
Accts. rec. less res.	1,022,993	713,349
Inventories	2,681,119	2,565,126
Total curr. assets	3,784,424	3,366,280
Mtges. rec.	123,750	.....
Misc. assets	5,814	5,814
Prep. exps.‡	97,557	123,997
Fixed assets*	472,696	841,140
Total assets	4,484,243	4,337,231
Due bank	.....	349,148
Accts., etc., pay.	1,862,629	1,416,727
Total curr. liab.	1,862,629	1,765,875
Inventory res.	.....	675,000
Res. replace. f.a.	.....	150,000
Capital stock	1,712,076	1,712,076
Capital surplus	836,475	1,475
Earned surplus	83,063	32,805
*After depr. of	635,556	1,131,388

‡Included in curr. assets in co.'s report.
Contingent liab. totaled $772,932 at June 30, 1956.

Working capital	1,921,795	1,600,405

Grain

UNITED GRAIN GROWERS LTD., Winnipeg, consolidated net profit for the year ended July 31, 1956, was $275,359, compared with net profit of $657,106 in previous year.

CONS. INCOME ACCOUNT		
Years Ended July 31:	1956	1955
Net earnings†	$1,997,813	$2,515,909
Less: Deprec.	936,303	900,999
Bond & other int.	311,151	307,804
Income tax	475,000	650,000
Net profit	■275,359	■657,106
Less: Divds.	240,466	240,413
Surplus for period	34,899	416,693

†After providing patronage dividends of $675,000 in 1956 and 1955.
■Company's report includes $36,503 in 1956 and $63,525 in 1955 profit on disposal of properties; in 1956 also includes $193,476 recovery on prior year claim.

Times Fixed Charges Earned:		
Before deprec.	6.42	8.17
After deprec.	1.41	5.25

Earnings per Share and Dividend Record:		
Cl. A: Earned	$1.22	$2.91
Paid	1.00	1.00
Cl. B: Earned	0.86	7.59
Paid	‡	‡

‡Divd. of 25c appropriated from accounts in each year and set aside for possible future payments.

CONDENSED CONS. BALANCE SHEET		
As at July 31:	1956	1955
Cash	$360,941	$354,068
Accts., etc., rec. less res.	1,434,204	1,463,241
Inventories	42,604,817	38,543,179
Total curr. assets	44,399,962	40,360,488
Prep. & def. chgs.‡	844,649	808,828
Misc. assets	36,149	59,071
Fixed assets*	14,116,833	13,700,061
Total assets	59,397,593	54,928,448
Due bank	26,334,000	23,390,000
Other loans	425,000	.....
Accts. & tax pay.	2,720,368	3,655,688
Patronage div. res.	675,000	675,000
Patronage div. liab.	320,583	246,591
Other curr. liab.	3,379,473	4,037,606
Total curr. liab.	33,854,724	34,004,887
Promissory notes	1,100,000	1,237,500
Pat. div. debs	1,987,538	1,859,718
Res. for def. ins. tax	1,085,000	740,000
Invent. val. res.	400,000	400,000
Pat. div. cr. def.	1,108,787	1,271,040
Funded debt	4,800,000	5,000,000
General reserve	2,000,000	2,000,000
Capital stock	4,809,205	4,804,820
Capital surplus	170,458	170,458
Earned surplus	3,104,905	2,840,027
*After depr. of	12,162,435	11,370,670

‡Included in curr. assets in co's. report.

Working capital	5,545,238	5,455,601

Food

WALTER M. LOWNEY CO., Montreal, net profit for the year ended June 30, 1956, was 24.3% higher than in previous year ($499,495 against $401,812).

Total sales increased 4¾%, chocolate division sales rose 1¼% and ice cream division sales were up 11 1/3%, reports President Edmund Littler, Jr.

Company applied full depreciation permitted for federal and provincial income tax purposes.

In balance sheet it has provided for redemption of $60,000 first mortgage serial bonds. This represents eighth repayment of $50,000 and a further $10,000 for balance of seventh repayment which matured April 16, 1956, but was not presented for payment until July, 1956.

CONDENSED BALANCE SHEET		
As at June 30:	1956	1955
Cash	$54,661	$52,581
Mkt. secs.†	6,645	6,645
Accts., etc., rec.	1,362,648	1,272,893
Inventories	1,852,613	2,200,920
Total curr. assets	3,276,567	3,533,039
Def. & prep. chgs.	95,056	109,441
Inv. in subsid.	7,800	7,800
Fixed assets*	2,586,590	2,792,963
Trademarks, etc.	17,500	22,500
Total assets	5,993,813	6,465,743
Bank loan	394,318	1,139,899
Accts., etc., pay.	873,015	924,171
Income taxes pay.	267,134	192,632
Bonds due 1 yr.	60,000	50,000
Total curr. liab.	1,594,467	2,306,702
Funded debt	100,000	150,000
Capital stock	260,036	260,036
Capital surplus	884,411	884,411
Earned surplus	2,156,899	2,864,594
†Market value	30,542	31,250
*After depr. of	3,805,304	2,441,027
Working capital	1,682,100	1,226,337

INCOME ACCOUNT		
Years ended June 30:	1956	1955
Net earnings	$1,353,490	$1,192,973
Less: Deprec.	430,100	486,511
Bond int.	6,635	6,385
Inc. taxes	411,510	310,515
Amortization	5,750	5,750
Net profit	499,495	401,812
Less: Dividends	207,190	207,190
Surplus for year	292,305	194,622

Earnings per Share and Dividend Record:		
Common	$2.41	$1.94
Paid	1.00	1.00

25%-30% Work Done on Seaway By Year End

Latest figures of the St. Lawrence Seaway Authority indicate that by the year end, about 60% of the excavation work will be completed, 50% of the dredging and 40% of the concrete work.

This is greater than had been indicated in first figures made available (FP, Nov. 24).

The seaway as a whole will be about 25%-30% complete by the end of December, Seaway Authority officials state.

GYPSUM, LIME & ALABASTINE CANADA LTD. has issued an additional 1,200 common shares under company's stock option incentive plan.

ATLAS STEELS LTD. during November issued an additional 2,380 common shares pursuant to conversion granted to holders of 5% convertible debentures, 1951 issue, and an additional 19,660 common shares under key employees' option agreement. Now 890,095 common shares outstanding.

New $5 Million Pipe Mill For Page-Hersey

Page-Hersey Tubes Ltd., major pipe manufacturer, will build a new $5-million pipe mill at Welland, Ont. The new mill will produce electric-resistance weld steel pipe in sizes from 2⅜ in. to 8⅝ in. outside diameter.

This will be the second electric-resistance weld pipe mill to be built at Welland by Page-Hersey. The present mill produces sizes ranging from 4½ to 16 in. diameter, the largest now made in Canada. Other Page-Hersey mills produce seamless pipe up to 7 in. and continuous weld pipe to 4 in. An associated company, in which Page-Hersey has a 50% interest, is now finishing construction of an electric weld pipe mill at Welland to make large diameter pipe (from 20 to 36 in. diameter).

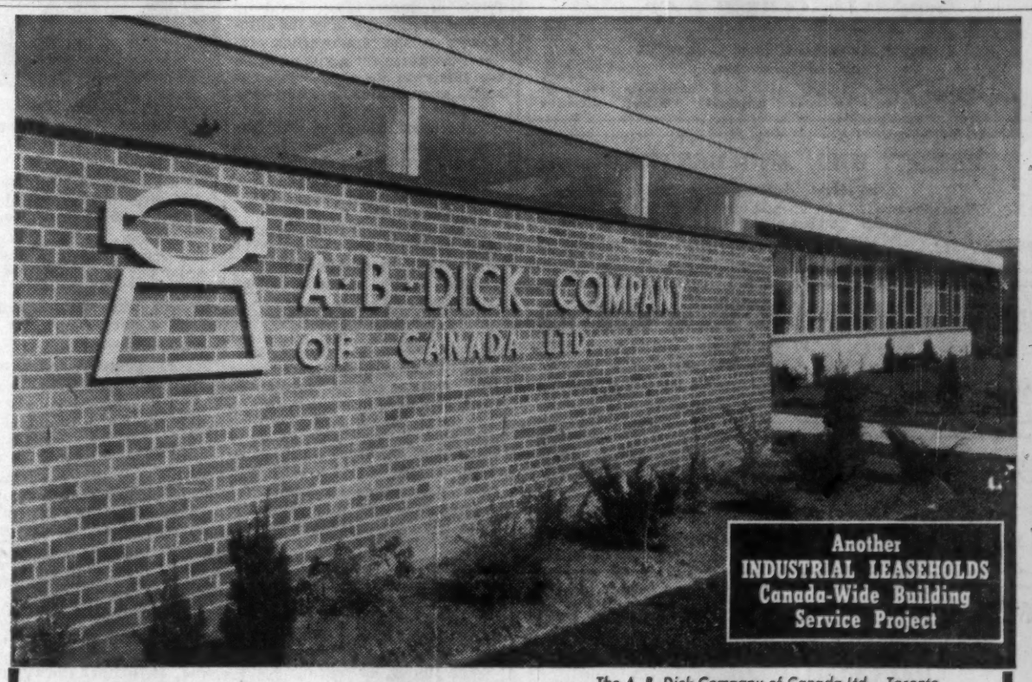
The latest move will meet the company's present need for additional pipe making capacity, and will provide greater flexibility in operations. In this way Page-Hersey will be able to concentrate on production of bigger sizes in its 16 in. mill, and swing production of pipe sizes from 4½ to 8⅝ in. to the new mill, thus ensuring a definite speed-up in production and delivery schedules.

Dofasco Boosts Iron Capacity

The iron-producing potential of **Dominion Foundries & Steel** has been doubled with completion of a new $9-million blast furnace Part of Dofasco's total $88-million expansion program to be completed early next year, the new furnace boosts iron-making potential from 1,000 to 2,000 tons per day.

The new blast furnace will require more than a million tons of additional raw materials a year, which will be brought in by ship through Hamilton harbor. The furnace towers 235 feet into the air. More than 200 boxcars of firebrick were used in lining it and its auxiliaries and over 3,000 gallons of paint required to paint the finished furnace.

Dofasco's success with its oxygen steelmaking process necessitated construction of this second furnace.



Another INDUSTRIAL LEASEHOLDS Canada-Wide Building Service Project

The A. B. Dick Company of Canada Ltd. Toronto

Industrial Leaseholds Builds Quality Industrial Buildings—Canada-Wide

Industrial Leaseholds completed this Quality Building in just four months for A. B. Dick of Canada Ltd.

There are certain yardsticks Industrial Leaseholds' clients use to measure the services of general contractors. A. B. Dick of Canada Ltd., a sound, business-wise firm looked for an experienced general contractor capable of erecting a quality building in record time.

Industrial Leaseholds' experience—A. B. Dick found Industrial Leaseholds already had served an impressive roster of leading Canadian, American and European firms in all types of industrial buildings.

Industrial Leaseholds' Quality—But A. B. Dick looked even further than experience—they wanted a contractor who could give quality. An inspection of several completed plants and warehouses contracted by Industrial Leaseholds was proof enough of the high calibre projects Industrial Leaseholds delivers.

Industrial Leaseholds Service and Speed—Finally the A. B. Dick Company applied the yardstick of speed and service. New quarters were needed in a hurry for this growing business equipment company. Again Industrial Leaseholds measured up to A. B. Dick standards — guaranteeing to complete the new A. B. Dick plant in only four months after the contract had been signed.

Wouldn't it pay you to consult Industrial Leaseholds now, before you choose a contractor for your new plant or warehouse? Call or write us today. Let's talk over your building expansion plans now. We can offer you Canada-Wide General Contracting services.

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GENERAL CONTRACTORS AND LEASEHOLDS

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TORONTO GALT

ASSEMBLY LINES have rolled at record speed this year for International Harvester at its Chatham trucks works. This shows work on one of the two major production lines.

No Muffler On Roaring Sales For the Quiet Giant of Chatham

A quiet giant is having a big year in trucks.

Publicity - shy **International Harvester Co. of Canada** is ringing up the nation's biggest production increase in the motor industry.

Trucks have been rolling off the two assembly lines at the company's Chatham works at an all-time record pace.

Production this year is running about double 1955 output. IHC performed the feat of equalling its truck output for all of 1955 in the first five months of 1956.

It's believed sales don't quite match the production increase. But they can't be far behind. Truck producers don't build up big inventories the way the automakers do. That's why truck production figures for a given period are likely to be much closer to actual sales than is auto output.

Behind the trim lawns and packed parking lots at Chatham lies this story of bustling activity:

Truck production, Jan. 1, 1956, to Nov. 17: 13,605.

Same period last year: 6,759.

Increase: 101%.

Total Canadian truck production, Jan. 1, 1956, to Nov. 17: 87,238. IHC share: Almost 16%.

Same period last year: 67,384. IHC share: 10%.

Thus the company has boost its share of production by almost 60% — no mean accomplishment when it's considered that IHC was a fairly substantial truck producer to begin with.

General Motors leads in truck output so far this year, 35,900 to November 17. GM is followed by **Ford**, 26,640; IHC; **Chrysler**, 11,093. All companies show increases this year but IHC's rise is easily greatest, percentage-wise.

The Men

The men behind the wheel for IHC trucks are Lyle H. Kain, manager of motor truck sales, and Douglas E. Bothwell, Chatham works manager.

The stocky, 49-year-old Kain—27 years with IHC — is the man who's sitting atop the record high sales wave. A native of Wiarton, Ont., he has been running truck sales since 1944.

Quiet-spoken Bothwell, 63, has been with the company for 37 years, was in Hamilton for 20 of these, has been works manager since 1940. He was born in Buckingham, Que.

What's the reason for IHC success? Says Kain:

"The background to any success we may have had is, first, the quality of our service to the customer through a chain of parts depots, repair depots and dealers, and, second, the quality of our product."

IHC dealers hammer home these selling points:

—International trucks always have a little "extra." Considerable overload is built into various parts. Much work has been done on cabs to cut vibration — which, medical men find, is an important cause of fatigue. The cab is painted in every corner, visible or not, to combat rust.

—International trucks are built or varied to customer order. For instance, customers can have any brand of tire they wish. Comments a production line worker: "We have never produced a 'standard' truck."

By that he means that customers can call for many changes or options designed to meet special conditions and specific cases. And, in the big trucks, no vehicles are built for stock. All are specially tailored. It's probable that more than 40% of IHC trucks — aside from half-tons — have been built to specific customer order.

D. E. BOTHWELL
Chatham Works Manager

L. H. KAIN
Manager of Motor Truck Sales

Another selling argument:

—Heavy emphasis is placed not only on filling a customer's order but on meeting a delivery deadline. This is part of the reason why IHC is known as such a hard competitor in the fleet market.

"Pop-out" A Lifesaver

In the realm of important "extras" for one trucker is the IHC "pop-out" windshield.

The trucker was in an accident, found himself trapped in his cab which was beginning to burn. With the doors jammed shut, he remembered the "pop-out." He braced himself against the back of the cab, put his feet against the windshield and pushed. Out came the windshield and the badly frightened trucker, singed but uninjured.

He's a faithful IHC customer.

IHC claims the most complete line of motor trucks made in Canada.

It ranges from half-tons to big six-wheelers. The price range would be roughly from $1,800 to $20,000, with the latter being mammoths used in construction and long-distance highway hauling.

There are more than 20 basic models and a wide variety of engines. It's rumored that IHC of Canada will increase the number of models produced here.

Employment is comparatively steady, without the wide fluctuations usually experienced in an auto plant.

IHC keeps changing its product all year long. There aren't the same big model changes and retooling jobs which occur in cars.

Layoffs for retooling may be small or may not even occur at all in some years.

Naturally, this helps keep workers happy. It may account for the fact that there has only been one strike at the Chatham works.

That was last year when members of the United Auto Workers employed in the office walked out. The strike concerned disagreement over certain fringe benefits, lasted eight weeks and paralyzed production completely.

IHC Truck Story

The ancestor of the International truck in Canada was a wagon.

The company bought the Chatham Wagon Works in 1910 after having been exclusive sales agent for its products.

Wagons and sleighs were produced for almost two decades before the company decided to confine its Chatham operation to trucks.

Truck output had begun in the early 20s after the plant was renovated and redesigned for this purpose. Assembly-line-type truck production didn't come into its own until the 30s.

Following World War II it became obvious that the tremendously expanding market required major plant expansion at Chatham.

IHC responded by building a new $4.5 million truck plant on a 26-acre site just outside Chatham on Highway No. 2 leading to Windsor. The old plant has since been sold.

Last year another 80,000 sq. ft. was added.

IHC prefers not to talk about future plant growth. But the industry is certain that — given continued good sales and a generally prosperous national economic climate — IHC must eventually undertake major expansion.

The heavy demand of 1956 suggests an increase in capacity may have to come quite soon. Some dealers say they have had trouble getting all the trucks they can sell. Another year like this one, therefore, would probably make more production facilities an urgent necessity.

The company's trucking expansion is probably best reflected in the number of workers at Chatham.

The payroll in 1930 was around 95-100. In 1940: 310.

Just after the war employment was well below the 300-mark. Then the big increase began. By 1948 about 600 draw IHC paycheques in Chatham. The recent peak: About 1,200.

In Perspective

Putting the truck operation in company-wide perspective, IHC has about 5,000 employees in Canada. Normal employment roll at the Hamilton farm machinery works is 3,500, although lower farm income during the last few years and resulting slow machinery business have cut this total to between 1,700 and 1,750. Some 150-200 work at the Hamilton twine mills.

IHC has around 2,200 Canadian dealers. Truck dealers number about 900, with 650 of these handling farm machinery too. Dealers get their products and parts through depots and district offices in a score or more Canadian cities from Vancouver to Saint John, N.B.

Rising truck sales have helped IHC counterbalance the effect of the general slump in farm implement demand.

Thus in 1955 IHC of Canada — a subsidiary of **International Harvester Co.** of Chicago — showed a 16.8% increase in sales over 1954. In the latter year sales had been 31% below 1953. Dollar figure for '55 sales: $100.9 million.

The capital program now under way is two-pronged:

—A general replacement process — old facilities are giving 'way to new.

—A big new parts depot to be located in Nelson Township about 13 miles from Hamilton, 30 from Toronto.

Tenders are out for the latter. It will employ about 225 and latest electronic equipment. The depot will service farm equipment and truck dealers in Eastern Canada and district offices all across the country. It will mean transfer of the truck parts area from the Chatham works thus allowing production line expansion there. Total plant, equipment and inventory at the depot will come to $12 million.

IHC of Canada is handling this project characteristically without large blasts of publicity but with the firm intention to be a tough competitor in the market.

Sales Were Never Higher

Trucking's quick growth in Canada is written in these facts and figures:

- Sales were never higher than 30,200 (worth $32.3 million) in any prewar year. In the years following the war annual sales rose to a peak of 110,000 ($267 million) in 1951, easing to 72,000 ($192 million) in 1954 and 79,000 ($233 million) in 1955. This year sales should be substantially higher than last, while value will show an even greater increase.
- Part of the reason for progressively higher price per unit lies in general price uptrends. But the trend toward bigger trucks is also important.
- Canada's truck population has risen from 233,000 in 1939 to 617,000 in 1950 to 930,000 in 1955. One truck maker—H. J. Nave of **White Motor of Canada** —predicts the total will top 1.7 million by 1975.
- Canadian Trucking Association suggests the index of fleet capacity of for-hire truckers (1954=100) should be around 150 in 1965 and 215-235 in 1980.

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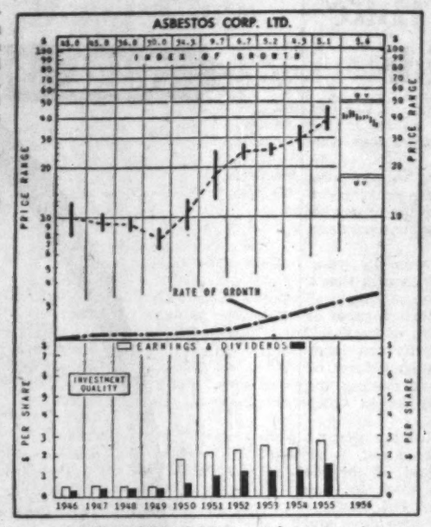
Selected Growth Stocks — Quarterly Review — By NESTOR

The Financial Post's exclusive series of Selected Growth Stocks was chosen by one of the continent's most prominent and successful investment advisers. The reasons for choice shown below the accompanying charts were those given when stocks were chosen in January 1953. Each will be reviewed quarterly. Publication of this series in The Post does not constitute a recommendation to buy these stocks.*



ASBESTOS CORP.—Asbestos enjoys a broadening demand based on its use in various building materials, as a coating and abrasive in industrial applications, and for both temperature and electrical insulation. Ranking as the largest producer of asbestos fibres, and having large reserves, Asbestos Corp. should share fully in this growth.

Asbestos Corp.

Asbestos Corp., trading at recent $33¼, is 96% above UV level ($17), would have to rise 50% to OV level ($50). Price is 11.9 times 1955 earnings of $2.80 a share, and yield at indicated $1.60 annual dividend is 4.81%. High this year was $45 in March and low $33 in November.

Company output at its four mines is understood to be going well. New Normandie mine is operating on six-day weekly basis currently, although for most of the year it has been on five days.

Shipments of asbestos by Canadian industry declined almost 14% in September to 81,953 tons from 95,039 tons a year ago, and by 2.4% in the January-September period to 751,587 tons against 769,841 tons in like period last year.

While actual shipments of various grades vary from company to company, industry shipments of short and long fibres are down from last year while intermediary grades are running according to form.

Exports to British market have been hardest hit because of credit restrictions which indirectly have resulted in cutback in asbestos imports. European markets are generally firm although Russian competition is considered stronger than last year. Question in Europe: What effect will political situation have on purchases?

U. S. market is off for long fibres, with textile business down. This has meant substantial reduction for Canadian asbestos. Drop in auto output from last year has also meant cut in volume.

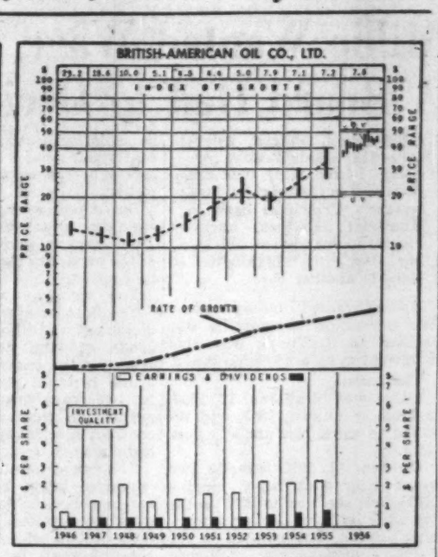
Present situation considered temporary because industry as a whole is expanding.

Observers see industry production slightly down for full year. Although prices were hiked earlier, costs are also up including new labor contract.

With full year production at Normandie this year, it will help Asbestos earnings. Cash position should improve with capital expansion completed. On the other hand, Vimy mine has been closed for the full year of 1956 and will remain closed.

Immediate and temporary effects of production contraction likely will be felt in earnings.

Asbestos Corp. has no present plans for expansion.



BRITISH AMERICAN OIL—With prospects of rapid growth in demand for petroleum products in Canada, coupled with an expansion and development program aimed at improving integration, British American Oil, second largest factor in the Canadian oil industry, should register better-than-average growth.

B-A Oil

British American Oil common, trading at recent $46 is 119% above its UV level ($21), has room to rise 8.7% before reaching OV level ($50). Price is 20.4 times 1955 earnings of $2.27 a share. Yield is 2.17%, based on indicated annual dividend rate of $1 per share. Price so far in 1956 has ranged between high of $50¼ and low of $35.

Newly constructed gas conservation plant at Nevis, Alta., commenced operations this week; it extracts liquid petroleum gas products from solution gas taken from the Stettler and Fenn-North Big Valley oil fields.

A sulphur plant at Pincher Creek, Alta., is progressing steadily toward completion by the end of December. Its function will be to provide sulphur and condensate for available markets, and eventually to supply **Trans-Canada Pipe Lines Ltd.** with natural gas from the Pincher Creek field.

This field, largest wet gas field in Canada, is expected to become a major source of supply for Trans-Canada eventually; it is owned by B-A. The field will not begin to supply gas to Trans-Canada until the latter has been in operation for a year or two and has built up eastern markets, it is expected.

Peace River Oil Pipe Line Co., partly owned by B-A, feeds gas directly from Sturgeon Lake field into **Trans Mountain Pipe Line.** Trans Mountain serves the west coast directly, a market that is currently growing at a faster rate than eastern markets. The Peace River line is now transporting 15,000 b/d, may boost this substantially over the next few years.

Acquisition of **Canadian Gulf Oil Co.** by B-A at July 1 has brought a sharp increase in exploration and production. The two producing and pipeline organizations have been integrated, and the expanded organization has launched an extensive exploration and development program.

Net interest production of the combined companies rose from 115,000 bbl. in June to 1,143,000 bbl. in September, boosting B-A to second place among Canadian oil producers. Company now has a net 643 wells in Canada capable of producing.

During third quarter 1956, B-A participated in drilling several important oil, gas and condensate discovery wells in southeast Saskatchewan, central Alberta and northeast British Columbia.

In the U. S., **B-A Oil Producing Co.** produced an average of 26,000 bbl. of crude daily in January-September. Output of crude and natural gas both exceeded 1955's records.

Weisenhunt well in Wood County, Texas, was completed and is producing 200 b/d, and one or two additional wells will be drilled soon. A second successful well has been completed in Irion County, and a shallow discovery made in Grayson County.

Elsewhere in U. S., nine oil wells have been brought in in New Mexico, several oil producers completed in Nebraska and another in Wyoming. Other wells are drilling in Wyoming and Oklahoma.

A partly owned subsidiary, **B-A Shawinigan Ltd.**, will start producing hexylene glycol at its Montreal East plant in March. Product, used in hydraulic brake fluids, printing inks, and in treating textiles, is not now made in Canada.

How To Read Stock Charts

INDEX OF GROWTH: The rate at which the value of the equity behind the stock is doubling as determined by the growth rate at which it entered the year. A figure of 5.6 for the present year would indicate that at its current growth rate the equity value is doubling every 5.6 years.

PRICE RANGE: The annual high, low and mean price. Monthly ranges for the current year.

UNDERVALUATION AND OVERVALUATION PRICE LEVELS: Shown by the narrow horizontal lines above and below the stock's price range indicating price at which the particular stock is adjusted as underestimating or overestimating its future rate of growth. A stock showing a fast-growth rate will sometimes anticipate growth by two or three years. In this case it may not be so attractive a purchase relatively as some other fast-growing stock that is not anticipating its growth beyond the immediate present. Other factors such as rate of growth and investment quality will also enter into the comparison an investor will want to make.

Without these UV and OV levels, a current quotation of say, 55 or 75 would carry no significance regarding long-range value. The UV/OV levels also permit judgment as between one stock and another. They are not designated points of purchase or sale nor do they attempt to show what will be a stock's bottom or top figure in any given year.

RATE OF GROWTH: The rate as based on Nestor's tests at which the company is showing underlying or long-term growth. This will determine the price trend of the company's common stock over a period of years and in most instances the trend of dividend payments.

**Background and principles behind the selection by Nestor were discussed in a special article in The Financial Post, Jan. 10, 1953. A limited number of reprints are available on request.*

Company Reports

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

Milling

OGILVIE FLOUR MILLS LTD., Montreal, net profit for the year ended Aug. 31, 1956, was 11.4% higher than in previous year ($1,958,573 vs. $1,757,861).

Company consolidated its accounts with those of **Lake of the Woods Milling Co.** (which has completed first full year's operation as a subsidiary and all other subsidiaries whose fiscal years coincide with Ogilvie's. These include **Industrial Grain Products Ltd.**

While milling division's earnings improved, earnings of Western elevators and terminals were somewhat lower due to low quotas and congested conditions. Investment income was slightly higher. Dividends from non-consolidated subsidiaries were lower, and operating results of bakery subsidiaries included in this group were sharply down, due to highly competitive conditions and higher labor costs, report Chairman C. A. Dunning and President H. Norman Davis.

There was notably severe price competition in all branches of milling and allied industries with which company is affiliated and there were unexpected and costly technical difficulties in setting up monosodium glutamate plant. However, operating problems are gradually being overcome and company expects an improvement this year.

To cut freight and operating costs, the Brantford, Ont., and Medicine Hat, Alta., mills of Lake of the Woods were closed while the capacities of Ogilvie's Montreal and Medicine Hat mills were increased. The new 5,000-bag-per-day pneumatic unit, installed in Montreal at a cost of $1 million, is operating economically and producing high-grade flour.

Winnipeg Addition

Capital expenditures included addition to the Winnipeg grain storage mill and several annexes to country elevators in the Prairies. Company sold Lake of the Woods' Montreal warehouse and realized $173,000 capital gain on disposal.

Lake of the Woods purchased all the minority interest of **Inter City Baking Co.** for $775,238. Some important operating changes are being made to improve efficiency.

Sales of bakery and grocery products were generally well maintained, although entry of two large new competitors in the ready-mix field has reduced volume. However, sales force is seeking to counteract this.

Starches and gluten sales increased and gluten prices are improving. Monosodium prices have declined sharply due to a destructive price war in the U. S. and attempts by former foreign suppliers to hold this market, it is reported.

Gerber-Ogilvie Baby Foods Ltd., a 50% owned affiliate, reports steadily rising sales. Ogilvie's animal foods business was well maintained despite large quantities of low-grade grains being available. Western crops are again plentiful and will continue to strain elevator capacity.

Export business remains difficult and more subject than ever to U. S. give-away programs. Competition in the U. K. is bitter, following cancelation of the subsidy on the National Loaf. While maintaining brands in the U. K. market, returns will be very small for some months. There was some expansion of business in other and more profitable export markets.

INCOME ACCOUNT

Years Ended Aug. 31:	1956	1955
Oper. profit	$2,090,539	$1,704,691
Inv. inc. & divds.	716,938	1,129,366
Less: Deprec.	1,099,621	824,712
Debent. int.	235,563	307,705
Income tax res.	333,808	260,000
Add: Invest. sale prof.	825,108	216,221
Less:		
Pref. divd. subs. co.	105,000	.....
Net profit	1,958,573	1,757,861
Less: Pref. divds.	140,000	140,000
Common divds.	1,121,534	1,083,428
Surplus for year	697,039	534,433
Times Debenture Interest Earned:		
Before deprec.	11.92	13.64
After deprec.	7.25	9.67
Earnings per Share and Dividend Record:		
Preferred	$97.93	$87.89
Paid	7.00	7.00
Common	2.43	2.16
Paid	1.00+0.50	1.00+0.50

CONDENSED CONS. BALANCE SHEET

As at Aug. 31:	1956	*1955
Cash	$1,204,535	$20,541
Accts. rec.	8,407,151	4,655,495
Investments‡	3,570,589	1,297,844
Inventories	19,337,396	12,315,175
Total curr. assets	32,519,671	18,289,005
Prepd. exp.	517,662	227,617
Inv. in subs.	3,862,041	8,080,605
Other inv.	445,208	340,651
Fixed assets†	15,709,822	9,411,175
Total assets	53,054,394	36,349,053
Bank loans	12,730,609	5,854,278
Accts., etc., pay.	3,782,445	2,901,250
Dividend pay.	595,767	595,767
Due subs.	3,732	9,611
Inc. & other taxes	385,064	241,592
Total curr. liab.	17,497,617	9,702,498
Rest acct.	5,000,000	5,000,000
Funded debt	5,850,000	5,725,000
Capital stock	8,930,670	8,930,670
Pref. stk. subsid. co.	1,500,000	.....
Capital surplus	4,226,928	.....
Earned surplus	10,048,969	6,990,885
†After depr. of	16,062,894	11,361,386
‡Market value	12,564,000	13,972,000
*Condensed Balance Sheet.		
Working capital	15,022,954	8,584,507

Food

CANADA VINEGARS LTD., Toronto, consolidated net profit for the year ended Sept. 30, 1956 was $165,150, 9.8% higher than net profit of $150,405 in previous year.

Company's capital expenditures amounted to $107,881 for building program now completed. These expenditures were taken out of current working capital. Company made a $50,000 reduction in bank loan and a further $50,000 reduction since year end, reports President L. L. Carsley.

CONS. INCOME ACCOUNT

Years Ended Sept. 30:	1956	1955
Net earnings	$421,027	$447,606
Less: Deprec.	160,604	199,855
Income taxes	95,273	197,348
Net profit	165,150	150,405
Less: Dividends	105,800	92,000
Surplus for year	59,350	58,405

†Co. is claiming for tax purposes deprec. in excess of amount shown in the accounts, thereby reducing tax prov. by $29,864 in 1956 (total of $44,590 for 1955-56).

Earnings per Share and Dividend Record:		
Common: Earned	$1.79	$1.65
Paid	0.80+0.35	0.80+0.20

CONDENSED CONS. BALANCE SHEET

As at Sept. 30:	1956	1955
Cash	$57,012	$14,321
Accts. rec. less res.	343,226	357,724
Inventories	452,397	400,946
Total curr. assets	852,635	772,991
Fixed assets†	1,746,096	1,743,123
Goodwill	24,001	24,001
Total assets	2,622,732	2,540,115
Total curr. liab.	646,015	575,748
Spec. bank loan	150,000	200,000
Capital stock	1,322,503	1,322,503
Surplus	504,213	444,864
▲After depr. of	2,031,823	1,926,915
Working capital	206,620	200,243

Retail Stores

SOBEYS STORES LTD., Stellarton, N.S., net profit for the year ended April 30, 1956 was $134,145, 25.8% higher than net profit of $106,648 in previous year.

INCOME ACCOUNT

Years Ended:	Apr. 30 1956	May 2 †1955
Net earnings	$390,435	.....
Add: Invest. income	10,241	.....
Total net earns.	400,676	.....
Less: Deprec.	99,472	.....
Debent. int.	60,963	.....
Inc. taxes	108,505	.....
Bond disc. amort.	4,230	.....
Add: Prof. sale of inv. & f.a.	6,639	.....
Net profit	134,145	$106,648
Less: Divds.	3,750	6,750
Surplus for year	130,395	100,398
Times Bond Interest Earned:		
Before deprec.	6.57	.....
After deprec.	4.94	.....
Earnings per Share and Dividend Record:		
Pref.: Earned	$35.77	$28.44
Paid	1.00	1.00
Com.: Earned	13.04	10.29
Paid	nil	0.25

†Only net profit figures available.

CONDENSED BALANCE SHEET

As at:	Apr. 30 1956	May 2 1955
Cash	$101,095	$31,025
Accts. rec. less res.*	28,129	17,427
Loans rec.	6,309	89,400
Inventories	613,996	522,020
Invests. at cost‡	95,711	64,132
Life ins., c.s.v.	1,640	1,305
Total curr. assets	846,880	745,309
Fixed assets†	1,575,620	926,753
Deferred charges	68,841	55,071
Total assets	2,491,341	1,727,133
Accts., etc., pay.	383,506	290,746
Divds. pay.	1,875	.....
Taxes pay.	46,046	20,060
Land purch. pay.	74,214	.....
Total curr. liab.	505,641	310,815
Mtges. pay.	32,376	23,949
Funded debt	1,195,500	779,500
Res. for inc. tax	14,459	.....
Capital stock	123,000	123,000
Surplus	618,365	487,969
†After deprec. of	352,022	262,266
*Allow. for doubtful accts.	8,388	8,632
‡Market val.	108,722	73,538
Working capital	341,239	434,494

Entertainment

MARCUS LOEW'S THEATRES, LTD., Toronto, net profit for the year ended Aug. 31, 1956 was 15.2% lower at $105,007 ($123,819 in previous year).

Company cancelled previously authorized 7% cumulative redeemable preferred shares, by Supplementary Letters Patent dated Dec. 27, 1955. The $653,900 capital surplus resulting from redemption was restored to earned surplus.

INCOME ACCOUNT

Years Ended Aug. 31:	1956	1955
Net earnings	$282,544	$326,177
Less: Depreciation	17,694	22,054
G'will, etc., w/o	41,000	41,000
Tax reserve	118,843	139,304
Net profit†	105,007	123,819
Less: Com. divds.	37,500	37,500
Surplus for year	67,507	86,319

†Company's report shows net profit of $129,724 in 1955, including profit on disposal of bonds of $5,905.

Earnings per Share and Dividend Record:		
Common	$14.00	$16.51
Paid	4.00+1.00	4.00+1.00

CONDENSED BALANCE SHEET

As at Aug. 31:	1956	1955
Cash	$211,291	$235,433
Accts. rec.	625	.....
Dom. bds.	935,113	835,512
Total curr. assets	1,147,029	1,070,945
Misc. assets	18,239	8,938
Goodwill, etc.	258,000	299,000
Fixed assets†	930,392	950,977
Total assets	2,353,660	2,329,760
Total curr. liab.	107,567	151,114
Pref. red. res.	▲	653,900
Capital stock	750,000	750,000
Surplus	1,496,153	774,746
*After depr. of	1,215,792	1,303,147

▲Pref. shares cancelled and capital surplus restored to earned surplus Dec. 27, 1955.

Working capital	1,039,502	919,831

Bank Staff Changes

Royal:

W. B. SMITH, accountant, Red Deer, Alta., to be manager, Jasper Ave. & 111th, Edmonton.

J. L. ADAIR, manager, Mount Brydges, Ont., to be manager, Huntsville, Ont.

H. S. PLAIN, accountant, Melfort, Sask., to be manager, Carrot River, Sask.

W. S. SNOOK, assistant manager, Halifax, to be assistant manager, Montreal.

G. D. CONLY, Edmonton, to be accountant, 8th & Centre, Calgary.

L. B. O. HAALAND, assistant accountant, Melfort, Sask., promoted to accountant.

M. C. CHUTE, Port Hope, Ont., to be accountant, Aylmer, Ont.

J. H. M. GIRARD, Sherbrooke & Bleury, Montreal, to be accountant, Thetford Mines, Que.

I. W. GREEK, Quinpool & Oxford, Halifax, to be accountant, Middleton, N.S.

W. J. GRACE, Peel & Sherbrooke, Montreal, to be accountant, 1980 Sherbrooke St. W., Montreal.

D. E. KLEMETS, Nanaimo, B.C., to be accountant, 2909 West Broadway, Vancouver.

J. H. D. LEBLANC, accountant, Thetford Mines, Que., to be accountant, Dalhousie & York, Ottawa.

V. T. FORSTER, appointed accountant at Goose Airport, Labrador.

* * *

Montreal:
NEW BRANCHES ABROAD:
2nd Canadian Infantry Brigade Group, Soest, Federal Republic of Germany; K. A. Farrell, manager.
2nd Canadian Infantry Brigade Group, Hemer, West Germany; H. J. Booth, accountant-in-charge.
2nd Canadian Infantry Brigade Group, Werl, West Germany, H. J. Booth, accountant-in-charge.
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Courtenay, B.C.; W. G. Gooderham, manager.

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LABOR AND THE LAW

Millie Wanted Wage Hike A Board Had to Decide

Significant judicial, grievance and administrative decisions in the labor field are reviewed in this regular Post feature. Principles basic to industrial relations, unemployment insurance and labor law are highlighted. Here is another case:

Millie wanted more money. And her union thought she was entitled to it. That's why this case went to an arbitration board.

The facts:

Millie was hired Jan. 12, 1953, laid off in August, 1953, and recalled to work just under a year later.

On Jan. 12, 1955—exactly two years after first being hired—Millie felt she was entitled to the top rate of pay for her work classification. She pointed to the union - management contract, which specified progression to top-rate after two years of continuous service.

Despite the one-year layoff, said Millie, she had two years' continuous service within the meaning of the contract.

That, in essence, was the union argument before the arbitration board.

And the union pointed out that the contract had the effect of defining continuous service, for the purposes of seniority, as unbroken service. But—and this was the union's key point—layoffs were not regarded as breaks in service.

The company disagreed.

It conceded that Millie had lost no seniority because she had had continuous service insofar as that aspect of the contract was concerned.

But it was wrong to apply the same concept to wage progression. The company said the intention of the parties to the contract must be considered.

The company won its case.

The board majority said that a dictionary definition of "service" spoke of "the performance of labor for the benefit of another." Millie had not performed labor for two years, thus should not be entitled to top-rate (unless the contract specifically said so, which it did not).

The board pointed out that an employee might be hired, work for one day, be laid off for 364 days, be recalled, work for one day, be laid off for 364 days, be recalled, work for two days and then claim top-rate for only a few days' work. Such a situation could not have been intended by company or union.

The implication: For purposes of wage progression, only actual work performed is relevant. Higher wages are intended as a reward for experience not for the mere passage of time.

The board minority disagreed, saying Millie had the "status of a servant" for two years, should get top-rate.

Source: Labor Arbitration Cases published for the Central Ontario Industrial Relations Institute by Cartwright & Sons, Toronto, 29-9-56, p. 247.

Truckers See Growth Picture Dotted With Lots of Problems

A $300-million business—trucking in Ontario — took a searching look at itself last week.

In Toronto convention, here's what the Automotive Transport Association of Ontario saw:

• Continued growth for the future. Growing population and industry alone make that certain.

• Lots of problems—lack of reciprocal licensing deals which allow trucks to cross borders freely, need for more and better roads, growing urban traffic congestion, and others.

Here's what it heard:

On growth:

In the year ending June 30, 1956, Ontario-registered trucks traveled more than 2,000 million miles, consumed more than 200 million gal. of gasoline, more than seven million gal. of diesel oil, carried more than 142 million tons of goods.

In the for-hire category only, the figures:

More than 301 million miles using 45.4 million gal. of gas and 4.5 million gal. of diesel oil, carrying 38 million tons for a total revenue of $144 million. This made average revenue per truck $12,000.

These figures were supplied by G. A. Wagdin of Dominion Bureau of Statistics.

On safety:

Said Vice-president George Jackson of **Ford of Canada**, president of the Ontario Safety League:

"Our armed forces have shown us one way to reduce driving hazards — by proper training and licensing. Vehicle drivers in the armed forces have their licenses graded according to weight and class of vehicles which they have been qualified to drive.

"Surely we need some similar system for training, grading and licensing commercial drivers."

On roads:

A. J. Martin, director of ATA: "Canada lags behind nearly every other major country in the development of transcontinental highway communication.

"We have no connecting system of highways in this country worth talking about. The base of such a system is the Trans-Canada Highway, which has bogged down and which anyone in the trucking industry knows is inadequate even for peacetime movement of supplies — let alone for military and defense needs."

On damage claims:

Cargo loss and damage claims per gross dollar earned in the Ontario industry didn't exceed 1.06c during 1955 and first half '56. That's better than the U. S. average and, said ATA Divisional Secretary James McLeod, lower than rail figures.

On traffic noise:

Dr. L. B. Leppard of the Ontario Health Department's Division of Industrial Hygiene:

"A lot of noisy older vehicles are on the road and the public is not inclined to wait patiently 'till they are finally replaced by something quieter.

"There is a certain amount of pressure on provincial and civic lawgivers. Any act or bylaw that could be framed would probably be arbitrary and unfair in some degree.

"The situation calls for a lot of co-operation, especially from you truckers. I do not know how you are going to solve your problem but I wish you luck."

Consol. Finance Debs. Yield 5.61%

MONTREAL (Staff)—Net profit of **Consolidated Finance Co.** for the six months ended June 30, 1956, amounted to $75,612 compared with $97,668 for the six months ended Dec. 31, 1955, and $69,507 for the six months ended Dec. 31, 1954.

Consolidated profit, including subsidiary, **Empire Acceptance Corp.**, and its wholly owned subsidiary, **Empire Finance Co.**, amounted to $81,376 for the six months ended June 30, 1956.

Since Consolidated Finance acquired in excess of 99% of the outstanding shares in Empire Acceptance Corp. which in turn owns all the outstanding shares of Empire Finance Co., in March, 1955, Empire Acceptance operations have been largely reorganized.

There has been a sizeable reduction in total volume of its loans, but bad debt losses in relation to volume of loans have been reduced to an even greater extent. Net profit after provision for taxes on income of Empire Acceptance for the six months ended June 30, 1956, amounted to $5,763 and is expected to increase substantially as new dealer accounts are established.

This was disclosed in an additional issue of $600,000 of 5½% sinking fund debentures, series "D," offered by **W. C. Pitfield & Co.**, and **Pemberton Securities Ltd.** at 99 and accrued interest to yield 5.61%. Dated Nov. 1, 1956, the debentures mature Nov. 1, 1968.

Debentures carry warrants entitling holders to purchase 15 class "A" n.p.v. non-voting shares in respect of each $900 principal amount of debentures at $20 per share up to Nov. 8, 1959, and thereafter at $22.50 per share to Nov. 1, 1962.

Sinking fund is provided in each of the years 1957 to 1967 inclusive, to retire $40,000 each year. It will retire 73% of the debentures prior to maturity.

Average outstanding receivables amounted to $8,903,452 for the six months ended June 30, 1956, compared with $6,599,641 for the six months ended Dec. 31, 1955. Total outstanding receivables at June 30, 1956, of company excluding subsidiary companies, amounted to $10,672,094.

Loans receivable outstanding at that date averaged $745 each. Accounts past due over 60 days amounted to $52,943 or 0.50% of total outstanding loans at June 30.

Since start of company operations, losses through non-payment have been less than half of 1% on loans totaling $51,543,276. **Reserve for bad debts at June 30, 1956, totaled $142,891 or slightly more than 1.33% of total receivables outstanding.**

Proceeds of the issue will be added to general funds of company to provide additional working capital for expansion.

Bond Yield Average Rises

Average yield of 40 bonds as compiled by **McLeod, Young, Weir & Co.** on basis of prices at Nov. 1, 1956, was 4.97% as compared to the previous month's average of 4.87%.

Average yields on the provincial group declined .10%, but municipal, public utility and industrial groups rose .02%, .23% and .24% respectively. No substitutions were made during October.

Here is yield by various groups:

	Nov. 1/56 %	Oct. 1/56 %	May 1/56 %	Nov. 1/55 %
10 Provincials ..	4.61	4.71	4.10	3.53
10 Municipals ..	5.21	5.19	4.96	3.73
10 Pub. Util. ...	4.92	4.69	4.13	3.73
10 Industrials ...	5.13	4.89	4.39	4.00
40 Bond average .	4.97	4.87	4.30	3.73
Average maturity Years	11	11	12	12
Months	9	10	3	9
Canada 2¾% 15/6/68	3.99	3.88	3.84	3.16

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Bank Staff Changes

Nova Scotia:

R. B. HALL, manager, Amherst, N.S., to be manager, Sudbury, Ont.

G. A. BAILEY, to be an assistant inspector at General Office, Toronto.

J. G. ALLAN, to be an assistant inspector.

A. G. BLAKE, to be an assistant inspector.

K. E. NICKLE, to be an assistant inspector.

B. W. MORIN, an inspector, supervisor's office, Montreal, to be manager, 2700 Mason Street, Montreal.

R. W. PORTER, manager, Havelock, N.B., to be manager, Port Daniel Station, Que.

W. I. BEAUCHAMP, to be accountant, St. Lawrence & Ontario, Montreal.

D. B. IRVINE, assistant accountant, Queen & Church, Toronto, to be accountant, Eglinton & Castle Knock, Toronto.

D. J. KROCK, accountant, Eglinton & Castle Knock, Toronto, to be accountant, Kingsway, Toronto.

T. J. DAVIS, to be assistant accountant, Queen & Church, Toronto.

L. R. HANLEY, to be assistant accountant, St. Catherine & Peel, Montreal.

L. G. BAIDEN, manager, Kentville, N.S., to be manager at Amherst, N.S.

R. E. LAPP, manager, Kelowna, B.C., to be manager, 49th Ave. & Fraser, Vancouver.

J. WORTERS, to be manager, Cloverdale Shopping Centre, Toronto.

F. HUNTER, accountant, Halifax, N.S., to be assistant manager, Summerside, P.E.I.

W. D. DEAN, accountant, Kelowna, B.C., to be accountant, North Vancouver.

D. C. MAXWELL, to be accountant, Sault Ste. Marie, Ont.

E. K. EAVES, to be an assistant accountant, St. Catherine & St. Alexander, Montreal, Que.

H. R. WILLIS, manager, Milton Ont., to be manager, Maxville, Ont.

C. A. PLANELLS, assistant accountant, Manzanillo, Cuba, to be assistant manager at that office.

W. S. CHAPMAN, an assistant accountant, Vancouver, to be accountant, Kelowna, B.C.

T. N. GRANDY, accountant, Mount Royal Ave. & St. Urbain, Montreal, Que., to be accountant, St. Catherine & Peel, Montreal.

S. W. JORDAN, assistant accountant, St. Catherine & St. Alexander, Montreal, Que., to be accountant at that office.

F. S. SMITH, to be accountant, St. Lawrence & Jean Talon, Montreal.

Commerce:

R. ADDERLEY, manager, Ocean Falls, B.C., to be manager, Port Alberni, B.C.

G. J. BARON, to be assistant accountant, North Winnipeg, Winnipeg.

W. D. BATE, formerly accountant, Grand Forks, B.C., to be an assistant inspector, Regional Office, Vancouver.

H. D. BRIMACOMBE, accountant, Creston, B.C., to be manager, Ocean Falls, B.C.

B. BRUMMITT, accountant, Killarney, Man., to be manager, Meota, Sask.

A. R. CAMPBELL, an inspector, Head Office, to be an assistant manager, Toronto.

F. CAPRILE, to be an assistant cashier, San Francisco, California.

W. M. CURRIE, chief inspector, Head Office, to be Regional Superintendent, Regional Office, Winnipeg.

J. M. GOULD, to be assistant accountant, Kelowna, B.C.

G. E. GALBRAITH, to be an assistant accountant, Port Credit, Ont.

R. HAINSWORTH, formerly manager at Fernie, B.C., to be manager of the newly opened branch at Fort & Douglas, Victoria, B.C.

R. E. HARRISON, an assistant manager, Toronto, to be chief inspector, Head Office, Toronto.

R. W. HICKSON, to be assistant accountant, Pender & Burrard, Vancouver.

V. L. BEARE, to be an assistant accountant, International Branch, Toronto.

W. A. IVESON, accountant, Drouillard Road, Windsor, Ont., to be accountant, Tecumseh & Gladstone, Windsor, Ont.

D. A. KERLEY, to be accountant, Port Alberni, B.C.

H. M. LANE, an inspector, Regional Office, Toronto, to be inspector, Regional Inspection Department, Regional Office, Montreal, Que.

H. N. MALLOY, an assistant accountant, International Branch, Toronto, to be an assistant manager International Branch, Toronto.

C. E. MILLER, accountant, Personal Loan Department, Winnipeg, to be manager, Personal Loan Department, Winnipeg.

A. McLELLAN, assistant accountant, College & Dovercourt, Toronto, to be accountant, Jane & Annette, Toronto.

A. O. PALMER, assistant accountant, North Winnipeg, Winnipeg, to be accountant Main & Alexander, Winnipeg.

R. G. RHEAUME, to be accountant, Thetford Mines, Que.

K. R. RYAN, an assistant accountant, Port Credit, Ont., to be accountant, Port Credit, Ont.

N. SCHROEDER, manager, Port Alberni, B.C., to be manager, Nanaimo, B.C.

W. A. THORBURN, assistant accountant, Kelowna, B.C., to be accountant, Creston, B.C.

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New Brunswick Backs New Food Plant Bonds

MONTREAL (Staff) — Public financing in connection with two food processing plants now under construction at East Florenceville, N.B., has been completed by **W. C. Pitfield & Co.**

The bonds, already sold, are unconditionally guaranteed by the Province of New Brunswick. They include $280,000 5% first mortgage sinking fund bonds of **McCain Foods Ltd.** and $140,000 5% first mortgage sinking fund bonds of **Carleton Cold Storage Ltd.**

Both issues mature in 1976 and were offered at 97 to yield 5.24%.

The two companies were incorporated in June, 1956. Both plants, it is stated, will be the largest food processing plants of their type in the province. East Florenceville is an important vegetable and fruit growing area.

McCain Foods will own and operate the food processing plant and Carleton Cold Storage, the cold storage and quick freezing plant. The McCain plant will cost an estimated $500,000 and the cold storage plant, $260,000.

The Canadian Government will make an $87,000 grant, equal to one third of the capital cost, for the cold storage plant.

The bonds are noncallable until 1966, except for sinking fund purposes. The sinking funds start in 1960, and will retire $187,000 and $96,000, respectively, of the McCain and Carleton issues.

In addition to guaranteeing the lands unconditionally, the province will also undertake to furnish any deficiency in sinking fund payments.

In the case of Carleton, company owners have agreed to subscribe to $40,000 in common stock; in the case of McCain, $100,000 in preferred and common.

ANNOUNCEMENT

Great-West Life Appointment

L. E. BRANNEN

The Great-West Life Assurance Company has announced the appointment of L. E. Brannen, formerly Branch Manager, Saskatoon, as a Superintendent of Agencies at Head Office in Winnipeg.

Mr. Brannen, a graduate of Acadia University, joined the Great-West Life's Nova Scotia Branch in 1946. He served as District Manager at Wolfville, N.S., and Branch Supervisor at Halifax, prior to his appointment in 1954 as Saskatoon Branch Manager.

The appointment is effective December 1.

Coming Events

Coming events of national interest and importance, brought to the attention of Post editors, will be included in this monthly column.

DECEMBER

2-6—American Hospital Association—Obstretical Nursing Supervisors, King Edward Sheraton Hotel, Toronto.
3—Cosmetic Career Women of Canada, La Salle Hotel, Montreal.
3-4—Ontario Food Processors Association, Royal York Hotel, Toronto.
4—Packaging Association of Canada Workshop Seminar, subject — presentation techniques, Royal York Hotel, Toronto.
5—Ontario Retail Feed Dealers' Association, King Edward Sheraton Hotel, Toronto.
5-6—Ontario Milk Distributors' Association, Royal York Hotel, Toronto.
5-7—Western Forestry & Conservation Association annual meeting, Empress Hotel, Victoria.
6-8—Conference on Christian Curriculum Development, English Catholic Teachers' Association, King Edward Sheraton Hotel, Toronto.
7-8—Architectural Institute of British Columbia, Hotel Georgia, Vancouver.
10-11—United Co-operatives of Ontario, Royal York Hotel, Toronto.
10-14—Alberta Farmers' Union, Edmonton.
11-14—Saskatchewan Farmers' Union, Saskatoon.
27-29—Ontario Public School Men Teachers' Federation, King Edward Sheraton Hotel, Toronto.
27-29—Ontario Secondary School Teachers' Federation, Royal York Hotel, Toronto.

Seamen's Fight Dumped Into Jodoin's Lap

MONTREAL (Staff) — The much-discussed battle between Hal Banks' tough Seafarers' International Union and the small eastern division of National Association of Marine Engineers this week promised to turn into a major constitutional dispute for the Canadian Labor Congress.

Latest move came when the engineers sent a resolution to the CLC demanding Banks be chucked out of Canadian organized labor. The resolution itself was passed Nov. 15 at a meeting of the engineers in Saint John, N.B.

The resolution sets forth clearly the complaints against Banks. It reads:

"Whereas there is established, admitted proof before the Canada Labor Relations Board by the Seafarers' International Union of North America (Canadian District), indicating this union to be operating a hiring hall system and making the Canadian worker pay for his job to be gainfully employed in our Canadian ships.

"Whereas the Seafarers' International Union of North America (Canadian District) is raiding sister unions of the Canadian Labor Congress in contravention of the constitution of the Congress; examples being the Canadian Brotherhood of Railway Employees and Other Transport Workers and the Great Lakes & Eastern District of the National Association of Marine Engineers of Canada, Inc.

"Whereas the full principles of the Seafarers' International Union of North America (Canadian district) are not within the means and rights of a true, democratic union for the Canadian worker.

"Therefore be it resolved that the Canadian Labor Congress cancel the charter of the Seafarers' International Union of North America (Canadian district) and open the door within the Canadian Labor Congress for a true trade union for seamen within the meaning of the constitution of the Congress."

In itself, the resolution does not carry too much weight. But, in fact, it is of tremendous significance.

The CLC has been doing some fancy side-stepping to avoid a showdown between its members that will blow away so soon after the act of labor unity the appearance of quiet, settled harmony in organized labor's ranks.

Now there seems little alternative to going into the whole matter.

CLC President Claude Jodoin has been unable to get Banks to meet Canadian Brotherhood of Railway Employees officials for peace talks in their jurisdictional dispute. And the railwaymen are themselves less and less willing to let bygones be bygones.

A senior official of the railwaymen told The Post this week that it was too early to say whether or not his union would support the resolution. "But," he added, "we are determined to uphold the constitution — and if the charges are proven to be true we will certainly support it."

That would be the end of labor unity in water transport and the opening of a major struggle, most observers now feel.

84 Ships Plan River Closing

MONTREAL (Staff) — Great Lakes and St. Lawrence shipping men were keeping an anxious eye on the thermometer this week.

The risk: Another desperate race to clear the remaining ships through the canals before the ice closed them.

At mid-week there were some 34 foreign and over 50 Canadian vessels due to leave the Great Lakes before Dec. 10, closing date.

Everything depends on the weather. This week the forecaster at Dorval told The Financial Post that very cold weather was on the way. He estimated about 24 hours of 10-degree temperature would freeze up the river. The mid-week forecast expected near zero temperatures by the week-end.

If that proves to be the case, Department of Transport staffers will take up positions at the locks to try to prevent ice forming by using poles.

Last year a number of Canadian ships were too late and had to wait out the winter in Great Lakes ports.

Further down river at Quebec City workmen were this week busy carrying out repairs on the 8,723-ton Cunarder R.M.S. Asia, damaged in a collision last week.

The Asia will sail under her own power to Halifax for major repairs.

This week there appeared no danger that she would be trapped by the winter.

Nesbitt Elected Head Of Power Corporation

MONTREAL (Staff)—A. Deane Nesbitt has been elected president of **Power Corp. of Canada Ltd.**

James B. Woodyatt, formerly vice-president and general manager, was elected chairman of the board, and P. N. Thomson was elected vice-president and general manager.

M. M. Walter was elected a director to fill a vacancy created by the death of P. A. Thomson.

Hungary Relief Contributions Pay For Drugs, Clothing, Food

OTTAWA (Staff) — Almost half of the $1 million Parliament is contributing to Hungarian relief should be spent in Canada.

It hasn't been decided on what, yet, but best bets are drugs, clothing and food.

Here's how the money will be distributed according to government plans at mid-week:

1.—$100,000 to Canadian Red Cross. This was the amount promised some days ago. It will be raised by probably another $100,000 — because it's understood here the Red Cross has commitments already for $300,000 but only $100,000 due to come in from a voluntary appeal.

2.—Another $100,000 for the U. N. High Commissioner for Hungarian relief. This was also promised a while ago, is likely to be raised substantially.

3.—About $100,000 earmarked at present for Austria, to replace some money Austria has already spent on about 75,000 refugees.

Actually, plans for the uncommitted (in public) $800,000 out of the $1 million are fluid. Spending will depend on what information filters this week through to Treasury Board which is the Finance Dept. agency designated to make sure the money is well spent.

There have already been informal appeals from the International Red Cross in an "anything you can spare—and in a hurry" tone of voice.

But the Government wants details of what, where and how.

And it's going to hold a little in reserve for the usual unforeseeable items.

ANNOUNCEMENT

ALWYN CLARK

Bank of Canada announces the appointment of Mr. Alwyn Clark as an Assistant Chief of the Securities Department. Mr. Clark was born in Verdun, P.Q. Following service with investment firms in Montreal and in the Canadian Infantry Corps, he joined the Bank of Canada in 1946, serving first with the Foreign Exchange Control Board and later transferring to the Bank's Securities Department. He was appointed Montreal representative of the Securities Department in August, 1954, and served in that capacity until June, 1955.

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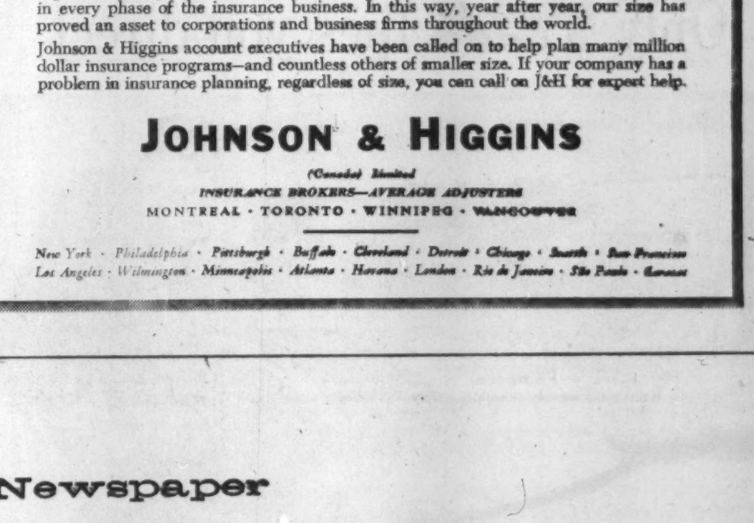

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The wire read:

TAKING NO CHANCES - COMING BY CNR - WHOLE FAMILY
EXCITED - WILL BE IN TIME TO HELP TRIM THE TREE
FOR SURE - LOVE - DICK

home for the holidays by CNR *the sure and easy way!*

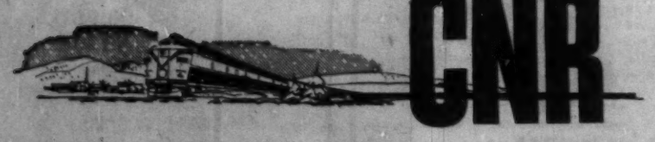
The mood is festive — because overcast skies and snowy roads have no place in *your* holiday picture! *You're* going the relaxed, safe, dependable Canadian National way . . . you leave when you're supposed to . . . arrive when the folks expect you . . . love every minute!

Who's afraid of the big bad blow! Up front, an experienced "chauffeur" watches the road while you rest. You dine happily, sleep peacefully in smart new equipment — snug from the wildest blizzard. On overnight trips there's a wonderful range of accommodations to suit every budget. On any trip, liberal baggage privileges let you travel light and carefree.

Best way to a Merry Christmas is to make your reservations early — *now* is none too soon! See your nearest CNR representative, today.

All across Canada, happy family reunions will be starting as loved ones arrive safe and sound on the Super Continental, the Continental, the Ocean Limited, and other great CNR "name" trains. Why not join them!

Another happy thought! If *you* can't go, bring *them* to you — with easy-to-buy, easy-to-use Canadian National Gift Certificates.



CNR

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The Hope Of Christmas

Seeing the ugliness in their world, the group in the Bethlehem stable might have cried, "Look what the world has come to!" Instead they said, "Look what has come to the world!"

December Reader's Digest tells us how, despite the grimness of the atomic age, we all can find hope in the timeless message of Christ. Get your December Reader's Digest today: 39 articles of lasting interest including the best from current magazines, books, condensed to save your time.

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Corporation Bonds

(Supplied by Investment Dealers' Assn. of Canada)

Nov. 27, 1956

Public Utility Issues	Int. Rate %	Due	Bid	Ask	Prev. Week Bid
Alg. Cen. H.B.R.	5	'59	143	145	144½
Bell Telephone	3	'77	79	82	79
Do.	4	'81	89	92	89½
Bowater Pr. Co.	3½	'80	83½	86½	83½
Brazilian Traction L. & P.	4½	'70	83	87	83
B. C. Electric	3½	'67	85½	88½	85½
Do.	3¾	'80	83½	86½	84
Do.	4½	'81	90	93	90
B. C. Telephone	4½	'75	94	97	94
Calgary Power	3½	'72	86	89	86
Consumers' Gas	4½	'76	94	97	95
Gatineau Pr. D	3½	'70	86	89	87
Gt. Lakes Pwr.	4½	'75	87	90	86
Maclaren-Quebec Power	3	'69	83	86	83
Mex. Lt. & Pwr.	5	'75	81	84	81
Nat. Lt. & Pwr.	4½	'81	94	97	94
North. Que. Pr.	4½	'67	91	94	91
Power Corp.	3½	'67	84	87	84
Quebec Power	3	'62	90	93	90
St. Maurice Pr.	3½	'70	85	90	85
Shaw. W. & Pr.	4½	'76	96½	99½	97
Do.	3½	'73	86	89	86
Wpg. Electric	3½	'71	84	87	84
Industrial Issues:					
Abitibi Pr., P.	4	'74	87	90	87½
Acadia-Atlantic Sugar	4	'74	81	84	82
Alum. Co. of C.	4½	'73	93	96	93
Bathurst P. & P.	5½	'73	95½	98½	95½
Bicroft Uranium	5	'62	88	92	88
B. A. Oil	3½	'74	84	87	85½
Burns & Co.	4	'63	93	96	93
Can. Bread	4½	'67	87	90	88
Can. Cement	3¾	'75	85½	88½	85½
Can. Steamship	4	'66	93	96	93
Cdn. Breweries	4½	'81	88	91	85
Cdn. Canners	3¾	'70	87	90	87
Cdn. Celanese	3	'62	86½	89½	87½
Cdn. Chem. Co.	5½	'71	92	95	93½
Cdn. Industries Ltd.	3¾	'74	85	88	83
Can. Oil	4	'76	82½	85½	82½
CPR	3¾	'72	87	90	88
Can. West. Lum.	4	'62	90½	93½	91
Cockshutt F. E.	4½	'65	85	88	85½
Columbia Cell.	5	'68	93	96	93
Cons. Denison	5	'62	87	90	88
Dom. Fd. & Stl.	4½	'69	93	96	93
Dom. Stores	4½	'75	86½	89½	86½
Dom. Tar & Ch.	5	'67	95	98	96
Dryden Paper	4¾	'74	91	95	91
T. Eaton Acc.	4¾	'74	94	97	95
E. B. Eddy	4	'74	81½	84½	81½
Elk Falls Co.	5	'75	94	97	95
Faraday Uran.	5½	'62	89	92	89
Gen. Motors Ac.	4	'64	89½	93½	89½
Gt. Lakes Paper	5	'76	93½	96½	93½
Gunnar Mines	5	'60	94	97	96½
H. Bay O. & G.	4	'75	82	85	85½
Husky Oil	5	'69	87	90	87
Imp. Tobacco	3	'70	84½	89½	85
Imp. Oil	3¾	'75	84	89	84
Indust. Accept.	5½	'75	94	97	96
Irving Oil Co.	5½	'67	94	97	94
Loblaw Groc.	4¾	'73	89	92	90
Lorado Uran.	6	'62	93	96	94
Maple L. M.	3¾	'63	91	94	91
Massey-Harris	4½	'76	82	85	84½
Monarch Knit.	4¾	'71	71	74	72
N. S. Stl., Coal	3½	'63	86	89	87
Ont. Jockey Cl.	5½	'72	79½	84½	79½
Phillips Elec.	5	'73	94	97	95½
Price Bros.	3½	'66	88	91	90
Pronto Uranium	5	'60	93	96	93½
Regent Refining	4½	'75	86½	91½	86½
St. Law. Corp.	5	'72	97	100	97½
Silverwood Dair.	4	'71	83	86	84
Simpsons Ltd.	4¾	'73	93	96	93½
Simpsons-Sears.	4½	'79	90	93	92½
Steel Co.	2¾	'67	87	90	87½
Traders Finance	4¾	'71	89	92	90
Union Accept.	5½	'68	91	94	92
Weston, Geo.	4¾	'71	100	103	98¾
CONVERTIBLE ISSUES					
Abitibi P. & P.	4½	'86	97	100	98½
Ajax Pete.	5	'62	83	87	83
Anglo Am. Exp.	5½	'75	90	95	91
Atlas Steels Ltd.	5	'67	104	108	103
Braz. Traction	4½	'71	76	82	79
Can. So. Oils	5	'61	77	83	77
CPR	3½	'66	93	96	93
Do.	4	'69	97	101	98
Cdn. Petrofina	4	'72	103	109	113
Cent. Leduc	5	'65	93	96	94
Cockshutt Farm	5	'68	88	91	88
Dom. Steel & C.	4½	'70	111	115	114
Dom. Textile	4	'66	89	93	89
Home Oils	5	'71	97	101	101½
Jupiter Oils	5	'67	87	91	87
Kroy Oils Ltd.	5	'67	86	90	87
Loblaw Groc.	4¾	'76	99	102	100
N. Concord Dev.	5½	'65	90	95	91
N. Sup. Oils	5	'64	78	85	78
Pathfinder Pete.	3-5	'62	80	83	81
Phillips Elec.	5½	'70	98	102	101
Scurry Oils	5	'64	87	92	87
Silverwood Dair.	5½	'72	104	110	107
Trad. Finance	5	'72	97½	100½	97½
Trans Emp. Oil	5½	'67	94	97	95
Triad Oils	4¾	'71	99½	102½	100½

Investment Trusts

	Divd. pd. cents ▲	Bid	Ask
All-Can. Com. Fd.	10.62(20.54♦)	5.21	5.66
All-Can. Div. Fund	21(17.25)	4.78	5.20
Balanced Mut.	13(15)	4.71	5.18
Can. Invest. Fund	38(34)	8.69	9.53
Canafund	125(110)	33.62	35.30
Champion Mut. Fund	9½	5.03	5.53
C'wealth Inter.	31(28)	7.31	8.03
Corporate Inv.	30(26)	8.28	9.00
Diversified Inc. Shs. B	13(12)	3.70	4.05
Dom. Equity Inv.	30+15(42)	13.75	14.06
Grouped Inc. (new)	5▪(10)	3.77	4.13
Growth Mines		4.45	4.68
Growth Oil & Gas		7.42	7.80
Investor's Mut.	31(30)	9.73	10.52
Leverage Fund	18(20)	5.28	5.80
Mut. Acc. F.	18.17(23.53)	6.31	6.90
Mutual Income	26.3(23.42)	4.99	5.46
Resources of Can	(6)	8.25	...
Sup'vised Amer.	13(21)	5.95	6.01
Sup'vised Executive (1955)	..	33.93	...
Sup'vised Executive (1956)	..	27.84	29.12
Sup'vised Gr'th Fund	(4▪)	1.88	1.90
Sup'vised Inc. Fund	14(22)	4.04	4.08
Timed Invest.	10(20)	†4.95	*4.95
Trans-Can. A	48.4(83)	26.95	...
Do. B	47.6(96.6)	28.70	...
Do. C	21.2(19)	5.75	6.25

†Less or (*) plus stock exchange commission.

▲Paid or payable in 1956 total paid in 1955 in parentheses.

▪Plus stock divd.

♦Reinvested.

Significant Investors' Index Numbers

No. of Securities	Mach. and equip. 10	Pulp and paper 9	Milling 2	Oils 5	Textiles and clothing 9	Food and allied prod. 14	Beverages 10	Bldg. mater. 15	Power and traction 8	Banks 7	Total utilities 13	Total co's 96
*1935 to date:												
High	947.5	1238.1	252.0	258.0	410.5	203.5	650.0	535.9	233.1	304.7	219.0	297.8
Low	69.7	51.6	61.2	78.4	78.4	79.5	79.3	66.7	60.2	60.0	62.5	61.1
1956 Monthly Figures:												
Jan.	735.6	1070.0	209.4	175.5	179.9	196.8	583.7	458.4	192.6	260.0	206.5	248.5
Feb.	728.0	1077.3	199.2	182.6	174.0	197.3	579.0	464.0	190.6	264.2	204.1	249.2
Mar.	804.6	1153.0	199.6	205.2	178.8	199.7	590.4	503.6	194.3	276.8	210.2	267.9
Apr.	826.4	1223.9	187.4	210.0	170.9	191.8	577.5	519.5	200.2	288.7	209.3	273.0
May	848.1	1192.5	179.8	211.7	160.2	180.8	551.7	488.5	201.0	271.7	204.2	268.5
June	843.0	1146.0	167.3	219.4	158.8	181.5	549.1	466.3	206.0	260.7	199.8	267.0
July	913.7	1185.3	173.9	234.9	159.5	190.8	565.4	504.5	222.4	287.4	107.9	282.4
Aug.	915.4	1175.3	172.5	250.1	158.3	195.5	558.6	514.2	228.0	295.4	215.7	291.8
Sept.	855.3	1077.2	166.0	243.7	153.4	183.5	530.9	485.0	320.1	283.8	209.2	278.9
1956 Weekly Figures:												
Oct. 4	811.0	999.1	163.5	233.2	152.2	175.6	524.6	469.9	214.5	267.8	205.0	268.4
Oct. 11	837.4	1031.8	159.6	240.6	154.9	175.3	526.2	480.2	218.1	275.6	208.0	275.1
Oct. 18	821.2	1049.5	162.7	239.8	157.0	174.3	515.2	471.1	215.7	278.9	204.8	272.3
Oct. 25	793.2	1019.0	155.0	231.3	157.0	174.7	508.9	457.8	211.7	278.5	202.7	265.2
Nov. 1	807.0	1024.5	155.8	240.0	159.2	173.4	503.7	457.6	212.8	270.3	202.3	267.9
Nov. 8	793.9	1031.0	158.4	243.9	156.1	176.0	501.2	471.4	220.8	272.0	205.9	270.5
Nov. 15	764.9	1017.2	157.7	245.5	155.7	181.4	492.4	460.6	218.0	275.7	202.9	267.5
Nov. 22	734.4	972.8	143.1	239.0	152.6	173.9	476.8	445.7	209.3	267.4	198.3	258.2

* High and low for year from 1935 to date inclusive are based on weekly figures used by the Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indus.	20 Golds	15 B.M.	15 W.O.
Nov. 26	449.13	73.89	218.14	149.85
Nov. 23	450.33	74.08	218.50	150.04
Nov. 22	447.96	74.33	219.32	148.60
Nov. 21	449.35	74.57	218.87	149.01
Nov. 20	451.12	74.63	219.63	150.05
Month Ago	464.40	79.98	231.45	152.04
Year Ago	432.69	85.38	210.54	114.57
1956 High	506.33	90.35	261.51	184.09
1956 Low	430.46	73.89	217.70	117.47

Montreal Stock Exchange Index

	10 Util	20 Indus	30 Com	10 Pprs	15 Golds
Nov. 26	132.2	284.6	234.2	1339.61	70.94
Nov. 23	133.8	286.1	235.3	1336.60	70.60
Nov. 22	135.0	286.1	235.7	1339.74	70.66
Nov. 21	135.0	286.9	236.3	1345.38	70.72
Nov. 20	135.5	287.1	236.5	1355.56	72.45
Mon. Ago	138.7	297.9	244.9	1467.84	77.62
Year Ago	131.5	293.0	239.2	1411.77	74.02
1956 High	148.1	332.0	270.7	1712.24	89.73
1956 Low	133.2	283.5	233.7	1336.60	70.60

Dow-Jones Closing Stock Averages

	30 Indus	20 Rails	15 Util	65 Stocks
Nov. 26	470.29	163.23	66.37	167.09
Nov. 23	472.56	154.16	66.35	167.78
Nov. 22	....	....	....	....
Nov. 21	467.91	153.11	66.26	166.52
Nov. 20	470.07	153.38	66.42	167.11
Month Ago	486.94	159.50	66.37	172.04
Year Ago	480.96	166.05	65.43	172.79
1956 High	521.05	181.23	71.71	184.11
1956 Low	462.23	150.55	63.03	164.29

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	$20.00	$19.77	$19.50
Hogs	29.50	29.50	22.50
Copper, lb.	.36	.36	.43
Sugar, raw, lb.	.0577	.0577	.0545
Coffee, lb.	.60	.60	.53½
Hides	.15	.15	.13½
Weekly Commodity Indices			
Dow Jones	166.15	164.03	153.86
U. S. Labor	115.6	115.4	111.1
Monthly Commodity Indices			
Canada (D.B.S.)			
Retail (Oct.)†	119.8	119.0	116.9
W'sale (Sept.)	227.4	227.0	220.9
C. F'm Pro. (Sept.)	209.8	214.4	202.7
U. S. (Aug.)	114.6	▪114.0	110.8
Gt. Brit. (Aug.)*	155.8	154.1	....
Do. (Aug.)▲	135.9	135.8	....

Note: †Cost-of-Living Index Revised to the Base of 1949=100.

Base of price quotations is as follows: Cattle-Steers, good up to 1,000 lb., to price Toronto. Copper-electrotypes, New York. Coffee No 4 Santos. Spot Raw Sugar 96 degrees centrifugal c.i.f.

▪Revised.

Gt. Brit. Index revised. Base year 1949.

*Basic materials index (excl. fuel) for nonfood mfg. ind.

▲All mfg. products other than fuel, food and tobacco.

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Government Bonds

(Supplied by Investment Dealers' Assoc. of Canada)

Nov. 27, 1956

%	Due	Bid	Ask
Govt. of Can. Bonds:			
3	Jan. 1959 ...	96½	97½
3	June 1960 ...	95	95½
3	Feb. 1962 ...	92½	93½
3	Oct. 1963 ...	91½	92½
3	Sept. 1966 ...	90½	91½
3	Perpetual ...	†82½	84½
2¾	June 1968 ...	88½	89½
3¾	Jan. 1975/78	96½	98½
3½	June 1974/78	90½	91½
Cdn. Nat. Railways:			
3	Jan. 1959 ...	96½	97½
2¾	Jan. 1967 ...	88½	89½
3	Jan. 1966 ...	90½	91½
2¾	Sept. 1969 ...	88	89
4½	July 1957 ...	♦99¾	100½
Grand Trunk Pacific Rly.:			
3	Jan. 1962 ...	▪94½	96
4	Jan. 1962 ...	▪98½	100
Inc. Bank of Reconstruct. & Development			
3½	Apr. 1965 ...	87	90
3½	June 1969 ...	86½	89½
C'wealth of Australia:			
4	Nov. 1970 ...	89	92

%	Due Prov. Govt. Bonds	Bid	Ask
Alberta:			
3¾	Mar. 1970 ...	♦88	91
British Columbia:			
4½	Jan. 1969 ...	♦98½	100½
3	Dec. 1960 ...	93	95
3	June 1964 ...	89	91
5	Sept. 1959 ...	♦100½	102½
B. C. Power Comm.:			
3	Oct. 1967 ...	85¾	87½
Manitoba:			
4	Dec. 1957 ...	♦99	100½
5	Dec. 1959 ...	▪100	101½
5½	July 1958 ...	100	102
3	Oct. 1965 ...	86½	88½
4½	Dec. 1956 ...	♦99¾	101
New Brunswick:			
4½	Apr. 1961 ...	♦97½	99½
2¾	June 1966 ...	82½	85
3½	May 1957 ...	99	100
3½	Sept. 1965 ...	89	91
Nova Scotia:			
4½	Nov. 1960 ...	♦98	100
5	Mar. 1960 ...	♦99½	101½
3½	June 1963-65.	88	90
3	June 1956/58.	97	98
2¾	June 1965/68.	80½	82½
Ontario:			
2¾	Nov. 1965/69.	82	84½
4	June 1962 ...	▪94½	97½
4½	Jan. 1962 ...	♦97	99½
2¾	July 1967/76.	79	82
3	Nov. 1963/65.	89	90½
5	May 1959 ...	▪100	101½
4	June 1969/72.	92	94½
Ontario Hydro Comm.:			
4	Aug. 1957 ...	▪99	100
2¾	Oct. 1965/68.	83	85½
3	Dec. 1963/65.	88	90
3	Nov. 1967/69.	84	86½
3½	May 1974/79.	82½	85½
Prince Edward Island:			
3	Oct. 1956 ...	84½	87
Quebec:			
4½	Aug. 1958 ...	98½	100
4½	Jan. 1963 ...	98	100
3	Sept. 1962/64.	89	91
Quebec Hydro Commission:			
3	Feb. 1969/73.	81½	84
3	Dec. 1958/60.	92½	94½
3½	May 1971/74.	84	86
Saskatchewan:			
5	Aug. 1958 ...	99½	101½
4½	Mar. 1960 ...	♦98½	100
3	Mar. 1963 ...	89½	91½
3½	Nov. 1960/62.	91½	93½
3¾	Oct. 1962/65.	92	94
5	Dec. 1959 ...	♦100	101½
Newfoundland:			
4¾	July 1956 ...	95½	97½

▪Payable Can., N.Y. or £. ♦Payable Can. or N.Y. †Callable on or after Sept. 15, 1956.

Record of Financing

Sales by Municipalities, Provincial and Dominion Governments. Offerings of Corporations and Securities.

DOMINION

Canada Savings Bonds — 3¼% and 4% bonds (series eleven), due May 1, 1969, $522,000,000. Issued Nov. 15, 1956, Offered at $100.00.

PROVINCIAL

Village of Creston, B. C. (Guar. by Province of B. C.) — 4% debentures, due July 1, 1957-76, $100,000. Issued Nov. 14, 1956. Sold at $93.20 to A. E. Ames & Co. Limited and Canadian Bank of Commerce.

MUNICIPAL

Township of Beverley, Ontario — 5⅛% debentures, due Dec. 15, 1957-76, $25,000. Issued Nov. 1, 1956. Bought privately by Bell, Gouinlock & Co. Limited.

Town of Arnprior, Ontario — 5½% debentures, due Nov. 15, 1957-76, $292,600. Issued Nov. 12, 1956. Bought privately by Midland Securities (Canada) Limited and Royal Bank of Canada.

Township of Cornwall, Ontario — 5% debentures, due Nov. 15, 1957-61-66, $157,362. Issued Nov. 12, 1956. Sold at $96.50 to Bell, Gouinlock & Co. Limited.

Parish of St. Sauveur, Que. — 4½% and 5% debentures, due Sept. 1, 1957-66-71, $45,000. Issued Nov. 12, 1956. Sold at $92.12 to Desjardins, Couture, Inc.

City of Kitchener, Ontario — 4½% and 5% debentures, due Nov. 1, 1957-71 and Dec. 15, 1957-65, $1,585,500. Issued Nov. 13, 1956. Sold at $97.03 to McLeod, Young, Weir & Co. Limited, Mills, Spence & Co. Limited and Bell, Gouinlock & Co. Limited.

Town of Tillsonburg, Ontario — 4¾% debentures, due Nov. 15, 1957-66, $130,000. Issued Nov. 10, 1956. Sold at $96.10 to Midland Securities (Canada) Limited, Royal Bank of Canada, Canadian Bank of Commerce and Isard, Robertson & Co. Limited.

Roman Catholic Separate School for the City of Granby, Que. — 4% and 4½% debentures, due Oct. 1, 1957-61-76, $300,000. Issued Nov. 12, 1956. Sold at $93.85 to Gairdner & Co. Limited and Dawson, Hannaford Limited.

City of Winnipeg, Ontario — 5¼% debentures, due Dec. 1, 1957-76, $2,000,000. Issued Nov. 12, 1956. Sold at $100.664 to J. L. Graham & Co. Limited, Anderson & Co. Limited, Gairdner & Co. Limited, Equitable Securities Canada Limited, Imperial Bank of Canada, Dawson, Hannaford Limited and Oldfield, Kirby & Gardner Limited.

School Commission for Mun. of City of St. Johns, Que. — 4% and 4½% debentures, due Dec. 1, 1957-64-76, $495,000. Issued Nov. 14, 1945. Sold at $93.02 to A. E. Ames & Co. Limited and Wood, Gundy & Co. Limited.

City of Woodstock, Ontario — 4½% debentures, due Nov. 20, 1957-71, and Dec. 1, 1957-66, $863,700. Issued Nov. 15, 1956. Sold at $94.369 to Royal Securities Corpn. Limited and Imperial Bank of Canada.

CORPORATE

Simpsons, Limited — 5% convertible debentures, series "B," to mature Dec. 1, 1976, $10,000,000. Dated Dec. 1, 1956. Offered at $100.00 and accrued interest by Wood, Gundy & Co. Limited.

DOMINION STORES LIMITED — 5½% sinking fund debentures, series C, to mature Dec. 1, 1976, $7,500,000. Dated Dec. 1, 1956. Offered at $98.50 and accrued interest to yield 5.62% by Nesbitt, Thomson and Company, Limited, W. C. Pitfield & Company Limited, Greenshields & Co. Inc., Dominion Securities Corpn. Limited, Wood, Gundy & Company Limited, Burns Bros. & Denton Limited, McLeod, Young, Weir & Company Limited and Wills, Bickle & Company.

Stanleigh Uranium Mining Corporation Limited — 5½% first mortgage sinking fund bonds, series "A," (carrying share purchase warrants) to mature July 2, 1962, $26,000,000. Nov. 1, 1956. Offered at $95.00 and accrued interest to yield 6.37% (carrying a bonus of 10 shares per $500.00 principal amount of series A bonds) by W. C. Pitfield & Company Limited, Nesbitt, Thomson and Company, Limited, Gairdner & Company Limited, L. G. Beaubien & Co., Limited, Midland Securities Corpn. Limited, McLeod, Young, Weir & Company Limited, Ross, Knowles & Co. Limited, James Richardson & Sons, Equitable Securities Canada Limited, Rene-T. Leclerc, Incorporee, Collier, Norris & Quinlan Limited, R. A. Daly & Company Limited, Bankers Bond Corporation Limited, The Western City Company Limited, Eastern Securities Company Limited, Carlile & McCarthy Limited, Stanbury & Company Limited, F. J. Brennan & Company Limited, Houston, Willoughby & Company Limited, Goffrion, Robert & Gelinas, Inc.

PREFERRED

Bowater Corporation of North America Limited — 5½% cumulative redeemable preferred shares (par value $50.00 per share), $7,500,000. Offered at $47.75 per share to yield 5.75% to Nesbitt, Thomson and Company, Limited, Greenshields & Co. Inc., Royal Securities Corporation Limited, Wood, Gundy, & Company Limited, W. C. Pitfield & Company Limited, James Richardson & Sons, Gairdner & Company Limited, Midland Securities Corpn. Limited, Eastern Securities Company Limited, Osler, Hammond & Nanton Limited and Harris & Partners Limited.

Northern Telephone Company, Limited — 5½% cumulative redeemable preference shares, series "A," (par value $20.00 per share), $1,500,000. Offered at $20.00 per share, to yield 5.50% by Royal Securities Corporation Limited, Burn Bros. & Denton Limited and Bartlett, Cayley & Company Limited.

Canadian Drawn Steel Company Limited — 121,860 cumulative sixty cent dividend participating preferred shares (no par value). Offered at $10.00 per share to yield 6% by Fry & Company Limited.

Municipal Bonds

Nov. 27, 1956

	Coup. %	Matur.	Bid $	Ask. $	Yld. $
Calgary	3½	'69	82½	85½	5.10
Edmonton	3½	'69	81½	84½	5.15
Halifax	3½	'66	86	88	5.10
Hamilton	3	'67	82¾	84¾	4.85
Montreal	3	'70	79	82	4.80
Moose Jaw	3½	'60	92	94	5.25
Ottawa	3¼	'68	85	87	4.75
Regina	3	'64	84	86	5.15
St. John, N.B.	3½	'65	86	88½	5.15
Toronto	3	'68	81½	83½	4.80
Vancouver	3¾	'69	85½	88⅛	5.00
Victoria	3¾	'68	86	89	5.00
Windsor	2¾	'75	67	69	5.35
Windsor	3½	'75	75⅛	77⅛	5.40
Windsor	2½	'75	64	66	5.35
Winnipeg	3	'69	80¼	82¼	4.85

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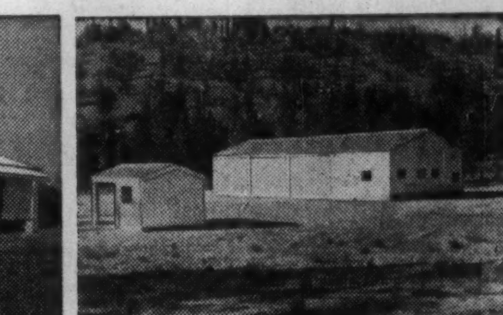

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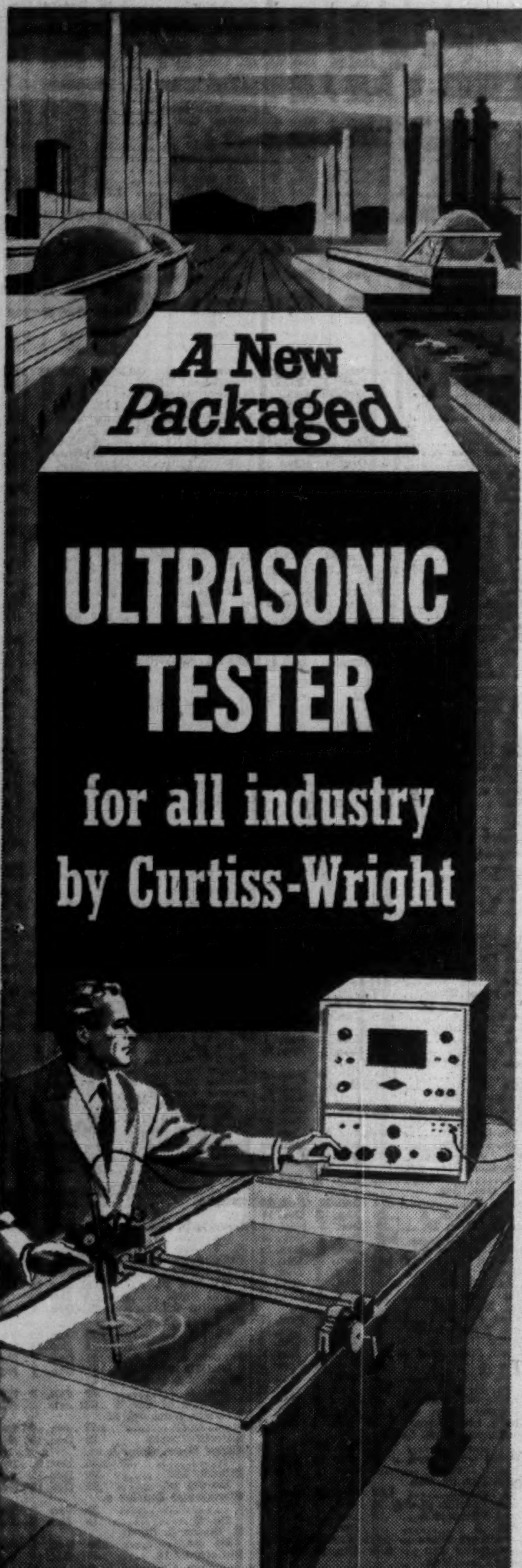

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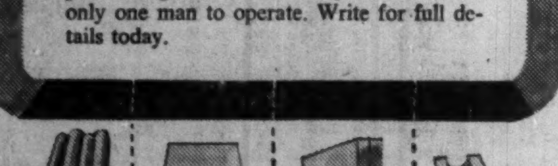

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Growth

Manufacturing plants new to Canada, expansions of existing industry across the nation

Areas, industries are invited to report their progress in this column.

Building a Market

How does a major foreign company build up a Canadian market to the point where it justifies a subsidiary manufacturing operation? Some work through dealers, others buy an interest in an existing Canadian firm. This is how U.S.-based **Standard Products**, the world's largest manufacturer of automotive window channel and weatherstrip, did it.

In 1931, President J. S. Reid of Standard Products arranged for the three-year-old plant of **Backstay Welt Co.** of Canada in Windsor, Ont., to make automotive window channel and weatherstrip for Canadian customers of the U.S. firm. In the first year, the sales volume was $130,000. Three years later, Standard Products bought a controlling interest in Backstay Welt and the name was changed to **Backstay Standard Co.**

In 1951, the name was changed to **Standard Products (Canada) Ltd.** which recently opened a major addition to its plant following steady growth over the years and now handles a sales volume of that original product worth several million dollars a year.

Dr. Reid is president of the Canadian and U.S. companies. Andrew C. Lyon, Windsor, is vice-president and general manager, and a director of Standard Products (Canada) is Frank A. Best who opened the original plant in 1928.

The company acquired a 20-acre tract in Windsor with a 19,000-sq.-ft. building about a year ago. The new addition increases the size of the plant to 67,200 sq. ft.

In addition to window channel and weatherstrip, the plant pioneered in Canada production of metal automotive trim, felt products, bindings, webbings, aluminum storm windows, buckles, etc. New products from the new plant include the Plymouth grille, Chevrolet grille, Chrysler vent window, frame assemblies for the windows of hardtop autos.

Windsor's Industrial Promotion Committee worked closely with the company to secure the municipal services necessary for expansion.

Footnote: During World War II, Standard Products (Canada) made between 60% and 70% of all hardware on the web equipment of Canadian soldiers — including millions of buckles for pack straps.

* * *

Biggest Gets Bigger

The world's biggest plant of its kind is to be further enlarged and modernized.

The plant is the silicon carbide works of **Canadian Carborundum** at Shawinigan Falls, Quebec, where new furnace units and materials handling equipment will be provided in an additional 20,000 sq. ft. building. It is planned for operation in September, next year.

Silicon carbide has been called brother to the diamond, and makes abrasive grains and powders, metal additives and super refractories. Vast tonnages of coke, sand, sawdust and salt are weighed and mixed according to scientific formulae at the plant. Then the mix is loaded into 50-ft.-long electric resistance furnaces and subjected to temperatures ranging between 4,000 degrees and 5,000 degrees F. The carbon in the coke unites with the silica in the sand to form the end product of which the plant is a principal supplier to Canadian, and U.S. and other foreign markets.

Vice-President and General Manager Leon A. Patt of the company which has its headquarters in Niagara Falls, Ont., says working conditions in the plant are receiving prime consideration. The new project is primarily a modernization scheme and secondarily a capacity expansion program. When the new plant is in operation, the new materials handling system will be engineering into the present plant.

* * *

Anchors for a Bridge

What is claimed to be the only pre-stressing plant of its kind in the western part of North America is now working on one of its biggest jobs.

—The plant: **British Ropes Canadian Factory Ltd.**, Vancouver.

—The job: Some 13,667 feet of 2 5/16 in. cable in 24 lengths.

The cable will be used in building the Okanagan Lake Kelowna Bridge and it will be 91-wire galvanized and pre-stressed at the factory prior to shipment.

Pre-stressed cable is needed for this job because part of the bridge will be floating and subject to seasonal changes in water level on the lake. The cable lengths will be employed as anchor strands and engineers will need to know the exact length of each cable under variations of stress.

General contractors for construction of Okanagan project are **Kelowna Bridge Contractors** — a joint venture between **General Construction Co.**, Vancouver, and **Pacific Bridge Co.**, San Francisco.

* * *

Glass Sales Drive

The increasing use of glass in the auto and construction industries keeps Canada's major glass firms busy organizing to meet current and potential demands.

A $1-million expansion program across the country by Pilkington Glass Ltd. is now nearing completion. It includes four new buildings.

Recently, the company has opened new glass centres in London, Ont., and Hamilton. Just before that, its Halifax facilities were modernized and enlarged.

Within the next few months, the company will complete a new glass centre in Vancouver.

A Pilkington subsidiary, **The Scott Paint-Varnish Co.**, is an integrated part of the new London centre. Both there and at Hamilton, warehouse facilities are specifically planned for materials handling and equipped with electric cranes for handling heavy glass shipments at truck ramps.

Lunch rooms with light cooking facilities are available in the two buildings for office and warehouse personnel.

* * *

Four Years Too Soon

Canadian industry is on its toes for bigger sales than ever before. But recently, the drive to beat competitors to the draw brought more than two dozen firms into touch with a project about four years before it was due to start.

The story begins with the purchase in the Richmond Hill area, near Toronto, of about 62 acres of land by **The Mennen Co.**, wholly-owned Canadian subsidiary of the U.S. concern, makers of a wide range of men's toilet requisites. Mennen has been manufacturing in Canada for about ten years, and in recent years its sales graph has been climbing steeply.

But the sales pressure from other companies started when a local newspaper announced that Mennen planned construction of a major plant on the new site. Over the next few days, there was a continuous flow of telephone and personal calls to the Mennen plant at Bloor-Dundas, Toronto, offering services, materials and equipment from landscape gardening to metalworking machinery.

Offers of material and equipment included glass, loading dock boards, washing machinery, insulation boards, conveyors, office furniture, structural steel, graders, concrete floors, water and sewage installations, gravel bricks, cement blocks and mixers. A real estate agent offered to swap another site for the one Mennen held. An architect and an interior decorator offered services. One call concerned an offer to drill for water and another was from a catering firm.

Mennen know that sooner or later they will have to expand, and the land was bought now because of rising land values in the Metro Toronto area. Estimates are that the new site may be the location of a plant about 1960.

Mennen officials, however, are impressed by the vigorous sales reaction to the development over such a wide section of industry. Said Plant Manager A. G. Elphick in charge of production: "We have filed all these offers for future reference. We expect our own people to go out and make sales, and we like to see aggressive operation in other sections of business. It's a very healthy sign."

New Style In Shopping

With 15 major shopping centres already operating in Ontario, **Principal Investments Ltd.** is well into construction of another and it will be one of the largest in the country.

The site includes the area of the former **Skyway Drive-In** site, it will cover 26 acres, comprise a 60-store plaza with 1,300 ft. of retail store frontage, and provide free parking for more than 4,000 cars. There will be service facilities including hairdresser, dry cleaner, florist, banks, and shoe repairs.

It will have all the latest features to win the retail dollar including floodlighting for night shopping, outdoor music, covered promenades and central heating and air conditioning. There will also be a 24-lane bowling alley and 30,000 sq. ft. of office space.

Principal Investments spent two years checking on potential sites for the new shop hub in the London area. The site selected lies about three-quarters of a mile from the city limits, and expects to draw major trade from a wide area. Population of Metro London was estimated at 153,491 in the 1956 census.

It comprises the area occupied by the former **Skyway Drive-In Theatre** on the southeast corner of Highway No. 2 and Clark side road, plus 50 acres of adjoining land acquired from Harry Allen, M.L.A. for Middlesex South.

* * *

Power Unit Advance

Vickers-Sperry of Canada Ltd. believes the addition of custom-built power unit manufacture is the most significant operational expansion made possible by the company's move to a new 10,000 sq. ft. warehouse and plant at 92 Advance Road, Toronto.

General Manager C. F. Smith explained: "We are now equipped to provide development and engineering assistance as well as assembly, testing and installation service on all types of custom-built oil-hydraulic power units."

The new quarters will provide larger facilities for service to users of oil-hydraulic equipment in the growing industrial and mobile markets. Activities will be expanded to include unit repair and warehousing of units and parts as well as sales and service.

Vickers-Sperry of Canada is a subsidiary of Vickers, Inc., Detroit.

* * *

Bigger Sales Field

Canadian Admiral Corp. has adapted its sales organization to develop a bigger sales drive and give better service to dealers in the Maritimes and the Prairies.

A new factory sales branch, operating under the name of **Canadian Admiral Sales Ltd.** has been formed in Halifax and will service dealers in Nova Scotia, New Brunswick and Prince Edward Island.

In Calgary, Canadian Admiral Sales Ltd. will, in future, service dealers in Saskatchewan as well as those in Alberta.

SEC States "Case Against" Great Sweet Grass-Kroy

Special Correspondence

WASHINGTON (Special)—The case against **Great Sweet Grass Oils** and **Kroy Oils** was outlined by the U.S. Securities and Exchange Commission this week.

The SEC had suspended trading about a month ago in the shares of the two Canadian companies pending the current hearing (FP, Nov. 3, 10) to decide whether they should be delisted from the American Stock Exchange or suspended from trading for up to 12 months.

(Both companies are still traded in Canada. Great Sweet Grass at mid-week was $1.05 and Kroy was 85c.)

A battery of 14 lawyers, at least two dozen witnesses and thousands of documents are involved in the hearing.

SEC lawyer George A. Blackstone charged that Samuel Ciglen, a Toronto lawyer, was the mastermind behind Great Sweet Grass-Kroy activities that involved sale to Americans of more than 2 million shares of Sweet Grass and one million Kroy shares at an estimated value of $8 million. The shares it was charged, were sold via the "boiler room operation" technique from New York.

Ciglen was president of Sweet Grass but resigned in October.

Blackstone said the U.S. Federal Bureau of Investigation was called in and will testify. SEC representatives charged that almost all sellers of the stock were Canadian residents and out of reach of U.S. subpoenas. One U.S. salesman in Texas had disappeared.

Every effort was made to get Ciglen's co-operation, the SEC said, but he has refused to confer with SEC officials.

SEC lawyer Blackstone told the hearing there were three main issues against Great Sweet Grass.

In the first issue, he said, there are three points:

Great Sweet Grass overstated the oil and gas reserves of Mutual Oil Development Co. of Oklahoma which Great Sweet took over and misrepresented fair value of the property.

Great Sweet Grass misrepresented that the issuance of 1,750,000 shares in exchange for the property of Mutual was an arms-length transaction with no material relationship existing between the two companies.

Third, that Great Sweet Grass falsely claimed that the issuance of the shares in exchange for the property was an exempt transaction not requiring registration with the SEC.

The second main issue, the SEC said, concerns the acquiring by Great Sweet Grass of properties of **Pitt Petroleums Ltd.** of Alberta. In this issue, the SEC said:

Great Sweet Grass overstated oil and gas reserves obtained from Pitt.

Great Sweet Grass misrepresented the fact that there was no arms-length transaction and that there was no material relationship between the two companies.

Great Sweet Grass falsely claimed the issuance of 500,000 shares for the Pitt properties was exempt from SEC registration.

The third main issue, the SEC said, concerns the issuance of 500,000 shares of Great Sweet Grass to **Torny Financial Corp.** The SEC says Great Sweet Grass misrepresented that the Torny concern was not controlled by any officer or director of Great Sweet Grass, and it falsely claimed that the issuance of the stock was exempt from SEC registration.

False Exemption Alleged

Insofar as Kroy is concerned, the SEC says in acquiring oil and gas properties of **Coronet Development Corp.** of Oklahoma, Kroy misstated the amount and value **of gas and oil reserves and misrepresented that there was no material relationship between the two companies.**

Kroy also falsely claimed exemption from registration of the issuance of 1,500,000 shares of Kroy in exchange for the Coronet property, the SEC alleged.

Finally, the SEC said Kroy also misrepresented that the issuance of 69,002 shares of Kroy stock to Great Sweet Grass was exempt from SEC registration.

Concerning the operations of Kroy and Great Sweet Grass, the SEC lawyer said:

"Furthermore it will be apparent that the two companies have a close relationship. There is an interlocking directorship . . . there was a common scheme employed by both companies to acquire oil and gas properties in exchange for stock with the intention to immediately distribute these shares of stock to the public in violation of the Securities Act of 1933 and in connection with this illegal distribution the overstatement of the oil and gas reserves played a vital part."

SEC lawyer Blackstone said he expects to prove that Mutual and Coronet were "dummy corporations" set up to transfer the Oklahoma properties to the two charged companies.

"These companies were used really to conceal the fact that a public distribution of the shares of stock of Great Sweet Grass and Kroy was intended to be made without registration," he said.

Company Reports

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

Milling and Grain

INTERNATIONAL MILLING CO., Minneapolis, Minn., consolidated net profit for the year ended Aug. 31, 1956 was 12% lower than in previous year ($4,277,825 against $4,860,587).

A strike early in year at Buffalo, N.Y., and another late in year at Humberstone, Ont., adversely affected profit. However, customer shipments in almost every division were higher, report Chairman Chas. Ritz and President Atherton Bean.

International owns all outstanding common and nonvoting redeemable preferred stock of **Robin Hood Flour Mills Ltd.**, its principal Canadian subsidiary. It also owned 22,823 of the 191,945 second preferred shares outstanding at fiscal year end.

Under Canadian income tax regulations, Robin Hood is claiming greater depreciation than provided in books. The resulting tax deferments of $60,535 ($187,099) have been set aside as a separate reserve for future years when book depreciation exceeds depreciation allowed for tax purposes.

Purchase of **Sargent & Co.**, Des Moines, Iowa, in August this year doubled International's feed capacity in the U.S. Sargent also has plants in Monmouth, Ill., and Fremont, Neb.

International's offer of engineering service to customers is reported to have facilitated the continuing widespread conversion of part of baking industry to use of bulk flour, delivered from bulk railway cars and bulk trucks.

Company's profit sharing retirement program received $424,316 from year's profit for credit to accounts of the 2,012 participating employees. Program has completed fourth year with company contributing a total of $1,709,754. Of company's 4,000 employees 2,254 will be members of profit sharing plans during current year. In addition 303 employees own company common stock.

CONSOL. INCOME ACCOUNT

Years Ended Aug. 31:	1956	1955
Net profit	$4,277,825	$4,860,587
Less Dividends:		
4% Pref.	176,757	180,801
4¼% Pref.	43,288	30,758
4½% Pref.	43,044	......
Common	674,124	802,043
2nd pref. of sub.	674,116	802,040
Surplus for year	2,666,496	3,045,145
Earnings per Shares and Dividend Record:		
Pref.‡	$48.03	$73.64
Paid 4%	4.00	4.00
Paid 4¼%	4.25	4.25
Paid 4½%	4.50	....
Common	4.94	5.22
Paid	1.00	1.00

▪Based on shares held by public.
‡After subsidiary dividends.

CONDENSED CONS. BALANCE SHEET

As at Aug. 31:	1956	1955
Cash	$5,257,771	$6,047,003
Accts., etc., rec.	24,398,409	20,669,122
Inventories	28,823,092	43,043,486
Total curr. assets	58,479,272	69,759,611
Prep. exp.§	1,138,712	1,154,413
Invest. in subsid.*	1,973,171	2,605,316
Misc. assets	838,961	492,323
Fixed assets†	23,621,439	22,022,806
Total assets	86,051,555	96,034,471
Notes payable	14,738,276	25,322,177
Accts. & tax. pay.	9,509,273	10,115,161
Other curr. liab.	1,228,222	504,528
Total curr. liab.	25,475,771	35,941,866
Funded debt	18,890,000	20,140,625
Cont. & other res.	590,634	291,000
Min. int.	......	532,516
Subsid. 2nd pf. stk.	1,691	1,841
Capital stock	9,742,900	7,751,200
Surplus‡	31,350,559	31,375,423
†After depr. of	19,315,772	18,451,718

*Not consolidated.
‡After deducting $3,049,593 in 1956 and cost of stock held in treasury.
§Incl. in curr. assets in co.'s report.

Working capital	33,003,501	33,817,745

MAPLE LEAF MILLING CO., Toronto, consolidated net profit for the year ended July 31, 1956 was 7.6% lower than in previous year ($602,531 against $651,925).

Competition was extremely strong in both export and domestic markets throughout the year. Although profit was only moderately lower, it was less than one cent per sales dollar, which is low even for the milling industry, reports President C. E. Soward.

Company says its inherent strength and earning potential should produce a higher ratio of earnings. It is making strong efforts to improve this situation.

However, the U.S. subsidy on wheat and flour has caused abnormal conditions in several export markets. This has deprived Canada of several important traditional markets, but Canadian government is trying to persuade the U.S. to restore open competition in these markets.

Maple Leaf reorganized almost all departments to further integrate existing production and distribution facilities with its subsidiary wherever there was duplication. It consolidated warehouses and branch sales offices at 10 locations. This involved actual or impending disposal of surplus facilities in Vancouver, London, Ont., Ottawa, Montreal and Toronto, and in some cases enlargement of the most efficient premises. The sales department has been reorganized into three separate divisions to merchandise manufactured Formula Feeds, Family Flour and Grocery Products, and Bakery Products.

The general export department has taken over all export sales and the former export office in New York has been closed. Company moved its Toronto head office to a new building on Eglinton Avenue.

Cost of these changes, together with special provisions for early retirement and relocation of personnel, has been absorbed. It is expected that future results will reflect savings from greater efficiency and staff reduction.

Company reports substantial progress in its modernization program. It now has a first rate pneumatic milling unit in West Toronto. It is installing modern milling machinery in its St. Boniface, Man., and Calgary plants. It also plans to further modernize manufacturing processes at the St. Boniface and Port Colborne, Ont., plants. A new feed unit was installed at Montreal. Facilities for bulk delivery of bakery flour were provided at West Toronto.

Maple Leaf developed a number of new grocery products and research department is planning other product fields into which company could profitably enter.

Options have been granted to certain officers and employees to purchase 40,850 unissued common shares at $8 each. Options expire after 10 years and are exercisable to extent of 10% of total number of shares covered.

MAPLE LEAF MILLING CO. LTD.
CONS INCOME ACCOUNT

Years Ended July 31:	1956	1955
Net earnings	$2,201,647	$2,248,451
Less: Depr.	772,544	719,290
Minority int.	1,596	1,224
Bond & deb. int.	294,976	319,012
Income taxes	530,000	567,000
Net profit	602,531	651,925
Less: Dividends	359,588	359,602
Surplus for year	242,943	292,323
Times All Interest Earned:		
Before deprec.	7.46	7.05
After deprec.	4.84	4.79
Earnings per Share and Dividend Record*:		
Preferred	$31.44	$34.01
Paid	5.00	5.00
Common	0.96	1.05
Paid	.050	0.50

*Based on shares outstanding at year-end, including shares held by subsidiary.

CONDENSED CONS. BALANCE SHEET

As at July 31:	1956	1955
Cash	$48,527	$45,168
Accts., etc., rec.	10,892,333	8,711,580
Inventories	11,047,910	10,336,281
Total curr. assets	21,988,779	19,093,029
Prep. exp.§	197,040	209,588
Other assets	164,441	160,109
Invest. in sub., etc.	2,796,458	2,891,744
Fixed assets*	9,619,870	9,775,523
Total assets	34,766,286	31,929,993
Bank loans	12,672,398	9,510,898
Accts., tax, etc., p.	3,277,554	3,374,748
Funded debt inst.	325,000	325,000
Total curr. liab.	16,274,952	13,410,646
Deferred credit	591,800	400,500
Funded debt ‡	6,471,250	6,932,250
Cont. surplus	375,131	375,141
Minority interest	38,094	43,993
Capital stock‡	4,885,486	4,885,864
Capital surplus	1,675,752	1,168,736
Surplus	3,962,249	3,715,838
*After depr. of	9,933,486	9,290,965

§Included in current assets in co.'s report.
‡After deducting shares held by subsidiary.

Working capital	5,713,827	[illegible]

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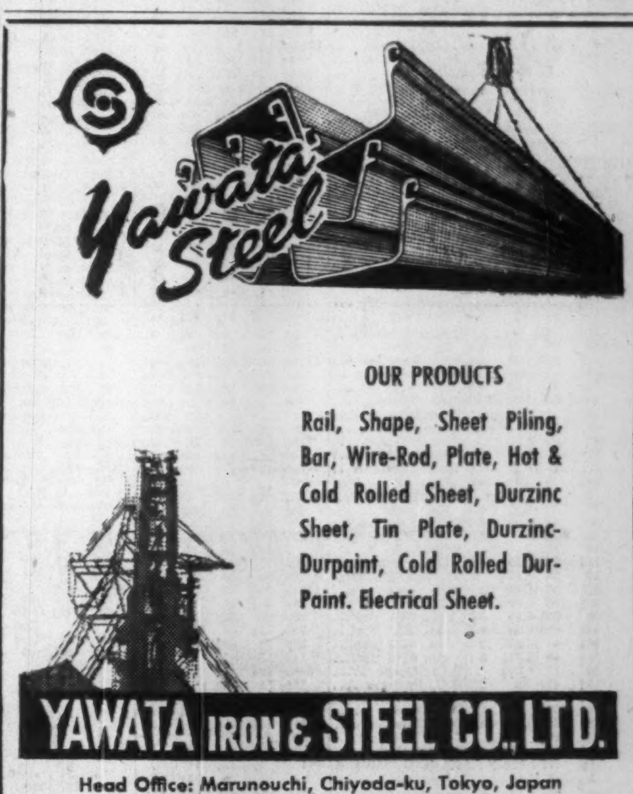

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BOX 233, THE FINANCIAL POST, TORONTO

Distillers

H. CORBY DISTILLERY LTD., Montreal, consolidated net profit for the year ended Aug. 31, 1956 was 0.5% higher at $1,650,543 ($1,642,933 in previous year).

Robert McNish & Co., the wholly owned Scottish subsidiary, balance sheet conversion from sterling to Canadian currency resulted in a $33,900 charge against Corby's consolidated profit and loss. This reflects a weakening of sterling, reports President Leo W. Vezina.

Net earnings attributable to Scottish operations (included in consolidation) amounted to $187,901 ($176,260). Both profits are exclusive of foreign exchange gain or loss arising in consolidation. Corby received $8,646 ($8,007) in dividends from these operations. Transfer of such earnings from Scotland is subject to foreign exchange controls. The promissory note of $1,573,662 (payable in Canadian currency to parent on May 6, 1957) will be renewed in total or part depending on requirements then, it is stated.

Corby has signed an agreement with **Jas. Barclay & Co.**, Detroit, whereby it will import company's main brand, Corby's Special Selected Canadian Whisky, from Corbyville, Ont. This is a long-range project but the preliminary results are encouraging, it is reported. Corby has long been associated with Barclay.

Since fiscal year end company, along with other Canadian distillers has had to increase spirits' prices to offset in part higher costs. While it is too soon to estimate effect of these price increases, company observes that only a minor part of retail increases set by liquor commissions, will go to distillers, and that costs are continuing to rise.

CONS. INCOME ACCOUNT

Years Ended Aug. 31:	1956	1955
Net earnings	$3,284,421	$3,161,750
Less: Deprec.	156,770	159,670
Unreal. exch. loss§	33,900	•18,240
Inc. tax res.	144,663	1,442,333
Add: Prof. on inv. & assets sale	1,455	65,445
Net profit	1,650,543	1,642,933
Less: Dividends	1,223,108	1,223,108
Surplus for year	427,435	419,825

§Re consol. of accts. of Robert McNish & Co., Scotland.
•Profit.

Earnings per Share and Dividend Record:		
Earned†	$1.48	$1.48
Paid	1.10	1.10

†On combined voting and class B shares.

CONDENSED CONS. BALANCE SHEET

As at May 31:	1956	1955
Cash	$1,780,335	$1,610,908
Br. Govt. bds.†	135,625	137,000
Accts. rec., less res.	1,877,966	1,371,846
Inventories	7,206,789	7,303,353
Total curr. assets	11,000,715	10,623,104
Prep. exp., etc.§	79,205	75,480
Investments	1,220,758	1,380,758
Fixed assets*	1,487,380	1,480,944
Total assets	13,786,058	13,579,286
Accts., etc., pay.	673,540	660,083
Income taxes pay.	830,234	861,774
Total curr. liab.	1,503,783	[illegible]
Capital stock	3,966,442	3,966,442
Surplus	8,297,813	7,870,278
*After depr. of	3,828,228	3,677,386
†Market value	106,886	107,887

§Included in curr. assets in co.'s report.

Working capital	[illegible]	[illegible]

THE WEEK'S QUOTATIONS

Quotations here listed are the official, exchange prices for listed stocks including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

Montreal and Toronto Winnipeg, Calgary and Vancouver

Bid and Ask quotes of Toronto and Montreal exchanges up to press time are published on page 40

WEEK ENDING NOVEMBER 23, 1956

Range 1956 High	Low	Div. Y'ld R'teNov23 $	%	Company	Sales	Last Nov. 16	Week end. Nov. 23 H	L	Close
1.75	.70			Abitca Lum	30900	1.25	1.20	1.05	1.15
43½	32½	*1.35		Abitibi	13100	34½	34½	32½	33
36½	23½	1.12½	4.7	Do. 4½% pref	175	24	24	23	24
12½	8½	.50	5.8	Acadia Atlan.	200	9	8½	8½	8½
101½	94	5.00	5.3	Do. 5% pref.	25	94	94	94	94
24½	19½	1.20	6.0	Do. (A)	70	20	20	20	20
		a1.00		Admiral	nil			35	†17
8½	7	.40	5.6	Agnew Surp.	5	7	7¼	7¼	7¼
10½	8½	.96	6.1	Do. pref.	nil		8	9	9
2.10	1.40			Albt. Dist.	1800	1.50	1.50	1.40	1.50
1.75	1.20			Do. V.T.	5100	1.30	1.30	1.25	1.30
127	93			Algoma Steel	5050	116¼	111	107	108½
36½	21½	1.00	4.4	Alum. of Can. p	150	22½	22½	22½	22½
52½	46	2.25	4.8	Do. 2nd pref.	590	48½	47½	46	47
147½	100	*2.33		Aluminium	10330	114½	114½	108	110
8	4½	*.25		Andian Nat.	1100	5	6	4½	4½
18	13½	*.40		Anglo. Can. Oils (Brandon)	nil		18		15
8½	3¾	2.00	3.7	Ang. Cdn. Pulp	685	37½	37½	35	35
84½	81	2.80	3.5	Do. pref.	345	51	51½	51	51
80½	40	2.25	3.2	Ang. Can. Tel. p	115	42½	43½	42½	43½
13¼	9½	.60	6.2	Ang. Nfld.	1050	10½	10½	9½	9½
		*1.00		Anglo-Scand. Inv	nil				11
24½	23	1.20	4.9	Anthes Imp.	125	25	24½	24½	24½
80	31			Arcan Corp.	647	31	37	31	31
28½	18½	.80	4.7	Argus	4411	16½	17½	16½	17
87	48½	2.40	5.1	Do. 4½% pref.	430	48½	48	46½	47
47	41	2.50	5.9	Do. $2.50 pref.	315	43½	43	42	42½
35	30	*1.00		Aro Equip.	nil			20	35
44	33	1.60	4.0	Asbestos	3850	34	34	33	33½
5.00	3.50	.20	4.6	Ashdown Hdwe A	100				4½
14½	12	.75		Do. (B)	400	12	12	12	12
84	72			Ash Temple	100	3.10	3.25	3.25	3.25
100	94	6.00	6.4	Do. A pref.	261	96	96	96	94
11	9½	.65	6.8	Do. B pref.	nil			9	9½
		a4.00		Assoc. T&TA p	nil				101
7	3½			Atlas Accept.	25	3½	3½	3½	3½
18	15	1.10	7.3	Do. pref.	nil		14	16	15
174½	174	.75		Atlas Steels	8438	26½	26½	24	24½
1.35	.70			Do. Rights	107222	1.30	1.30	.75	.95
134	104	*.75	4.35	Auto Electric	300	13½	14	14	14
10½	9½	.60	6.0	Do. (A)	nil				10
6½	3			Auto Fabric A	nil		4.50	4.75	5.25
3.50	1.00			Do. (B)	nil		.80	1.30	1.80
47	39	1.20		Bk. Can. Nat.	715	40½	40½	40½	40½
62	47½	1.40		Bk. Montreal	2347	50	51	49½	49½
60½	53½	1.40		Bk. N. Scotia	2267	57	57	56	56
43	32½	.80		Barber-Ellis	nil		42		
		2.30		Do. 7% pref.	nil				
7½	4			Barcelona	nil		3½	5½	4
20	8½	1.00	11.3	Bates & Innes A	nil		8½	9	8½
65½	58	3.00		Bathurst Pr. A	1610	60	60	58	58
80	37	*1.50		Do. (B)	125	39	39	38	39
8	6½	.40		Beatty Bros.	705	6½	6½	6½	6½
32½	30½	*1.00		Beaubrun	nil		29½	30	30½
21	17	.80		Beaver Lumber	1000	18	17½	17	17
23½	20	1.00	5.0	Do. (A)	nil		19½	20	20
34	32½	1.40	4.2	Do. pref.	nil			32½	33
84	7	2.20		Belding Cort.	nil				84
13½	11	.70	6.1	Do. pref.	60	13½	11½	11½	11½
10	8½			Belgium Stores	20	9	9	9	9
16	11	1.00	9.1	Do. pref.	25	11	14	14	14
51½	44½	2.50	5.4	Bell Telephone	17833	46	46½	45½	45½
8	5	.40	5.4	Biltmore Hats	nil		7½	7	7½
14½	13½	1.00	7.8	Do. (A)	15	13	12½	12½	12½
30	30	2.40		Bird. Constr.	nil		50		50
13	8			Blue Ribbon	nil		11½	15	†10½
41	27	*1.25		Do. pref.	nil		36½	40	36
21	20	*.50		Bower Ltd.	100	13	20	20	20
51	44½	2.50	5.4	Bowater pref.	75	46	45½	45	45
20	17½	1.00	5.6	Brant. Cord. A	100	18	17½	17½	17½
13½	9	.50	5.6	Do. (B)	nil		9½	9½	9
8	6½	*.75		Brazilian Tr.	18603	7¼	7¼	7¼	7¼
94	90	6.00	6.7	Do. pref.	nil		90	115	90
30	26	2.00	6.2	Bridge & Tank p	20	46	46½	46	46½
3.40	2.55			Do. Warr.	355	3.20	3.20	3.20	3.20
19	12½			Bright, T. G.	5	15½	16	16	16
21½	18	1.35	6.4	Do. 5% pref.	nil			20	18
39	29	1.20		Br. Am. Bk. N'ts	1050	30	30	30	30
50½	36	1.00	2.1	Brit. Amer. Oil	21355	46½	48½	46½	48½
5.00	4.00	4.00	4.7	B.C. Elec. 4% pf.	205	85½	86	83	86
106	90½	4.75	5.2	Do. 4½% pref.	305	92	92½	90½	90½
55½	45½	2.50	5.2	Do. 5% pref.	990	48½	49	48	48½
52½	41	2.25	5.2	Do. 4½% pref.	260	43	43½	43	43½
51	40	2.12½	5.1	Do. 4½% pref.	145	42	42	41½	41½
20	11	*.75		B.C. Forest	8250	12½	12½	12	12½
17½	13½	1.75	8.3	B.C. Packers A	180	14	14½	13½	14½
16½	12	*1.25		Do. (B)	135	14½	13½	13½	13½
55½	36½	1.40	3.4	B.C. Power	5640	43	43	40½	41
52½	42½	2.00	4.8	B.C. Tele.	1110	44½	45	44½	44½
1.05	.87½			B.-C. Turf	300	.97	.97	.97	.97
24½	15½	a1.00		Brown Co.	6920	16½	16½	15½	16
14½	7½	1.20½		Bruck S. Mills A	150	7½	7½	7½	7
3	3			Do. (B)	10	3	3	3	3
40	29½	1.80	6.1	Building Prod.	2980	30½	30½	29½	29½
7½	7½	.50	6.7	Bullock's A	nil			7½	7½
6	5½	*.17½		Do. (B)	nil		4	5½	5½
33	27	1.00	*.50	Burlington Steel	15	28	27	27	27
14½	11	*.60	+.05	Burns & Co.	1571	12½	12½	12	12
94	84½	.48	6.1	Bunbrant Ltd.	250	7½	7½	7½	7½
3.30	1.50			Butterfly Hos.	100	1¾	1¾	1¾	1¾
14	14	.80	5.7	Caldwell Linen	nil		17½		14
24½	21½	1.50	7.0	Do. 1st pref.	nil		23½	23½	21½
13	12	.80	6.2	Do. 2nd pref.	nil		17½		13
69	58½	*1.00		Calgary Pwr.	1900	61½		58½	58½
105	99½	5.00	5.0	Do. 5% pref.	100	99½	100	100	99½
34	32	.10	3.3	Canada Bread	200	2½	3	3	3
60	50	2.50	4.5	Do. pref. B	16	54	55	55	55
39	28	1.00	3.5	Canada Cement	2553	28½	29½	28	28½
32	26	1.30	4.9	Do. pref.	1112	27½	27½	26½	26½
11½	7	1.20		Can. Cr. Stone	nil			61	16½
28½	20½	*1.20		C. & D. Sugar	1625	22	23	21½	22
19	17½	*1.00		Can. Floor B	80	†15	†15	†15	†15
12½	10½	.40	3.5	Can. Foils	nil		10½	12	11½
17	14½	.60	+*aa.11	Do. A	nil		12	14	14½
18	15			Can. Forg.	nil			18	17½
29	25½	1.80	5.4	Can. Ind.	5	26	28	28	28
39½	31	1.50	4.8	Can. Iron	1255	34½	34½	32½	32½
108½	99½	4.25	4.2	Do. 4½% pref.	560	100	102	101	101½
168	149½	*4.15		Can. Life	nil			149	149½
15	10	1.25		Can. Machine	nil		10	10½	10
82	80	2.00	+.80	Can. Maltings	nil		80	80	80
28	22½	1.17	4.9	Do. 4½% pref.	365	23	24	23	24
43	37	1.80	4.1	Can. Packers A	200	37	37½	37	37
39½	33½	1.50	4.1	Do. (B)	1005	37	37	36½	36½
96	86	3.00	+.40	Can. Perman.	160	87½	87½	†85	†85
104	92	4.40	4.8	Can. Safeway p	nil		94	99½	92
38	32	*1.00		Can. Steamships	20	32	32	32	32
14	11	1.62½	8.3	Do. pref.	321	11	13½	11½	11½
30	18	*.95	+.15	Can. Vickers	nil		20	20½	†20½
		.50	6.2	Can. W. Cord A	nil				8½
225	195	4.00	2.0	Can. W. Cable A	nil		205		205
344	17½	*.60		Do. (B)	275	17½	18	17½	17½
126	88	1.00	+.90	Canadian Arenas	15	126	126	125	125
7½	5			Can. Bakeries	nil		5	5½	†5½
59	44½	1.40	+*.20	Can. Bk. Com.	3592	54	54½	53	53½
39	29	1.00	3.4	Can. Breweries	7227	25½	25½	24½	24½
33½	25	1.25	5.0	Do. pref.	1675	25½	25½	25	25
33	26	1.80	+2.50	Can. Bronze	60	29½	29	27	27
105	102	5.00	4.8	Do. pref.	nil		101		102
14½	13			Cdn. Canners A	3298	14½	14½	13	14
				Do. B	nil				
21½	12½	.60	+*.15	Can. Celanese	3045	13	14½	12½	12½
37	28	1.75	6.4	Do. pref. $1.75	350	28½	28½	28	†27½
21½	15½	1.00	4.6	Do. $1 pref.	100	†14	15½	15½	15½
32	24½	1.50	+.15	Catelli Food A	nil		28	25	24½
41	30	1.00	+*.15	Do. (B)	20	30	30	30	30
		*.37½		Celanese Corp.	nil				
		a4.50		Do. 4½% pref.	nil				
		a7.00		Do. 7% 2nd pfd.	nil				
28	27½	.80	2.5	Cent. Can. Invest	nil		30		32
103	100½	5.00	5.0	Do. pref.	nil		100½		100½
73½	64	1.40	2.5	Chart. Trust	225	55½	55½	55	55
7	4½			Chatco Steel, pf.	20	5	5	5	5
18½	14	1.00	6.9	Chateau-Gai	135	14½	14½	14	14½
86	58	*a3.00	+11.00	Chrysler Corp.	150	68½	69½	64½	65
.65	.50	*6d		Cinzano A	nil		.50		.60
		*.50		Do. 5% pref.	nil		.83		1.50
11	11	5½%		Circle Bar Knit.	nil			3	3
41	4			Do. (A)	25	15	15	15	15
91	34			Claude Neon A	100	5½	6	6	6
7.00	3.05			Do. (B)	200	6½	6	6	6
78	68			Do. pref.	5	72	72	72	72
18	10			Cochrane-D	nil		14½	15½	16
23½	18½	.80	3.7	Do. (A)	nil		14½	17	21½
84	81			Cockshutt Farm	9162	8	8½	7½	7½
17½	15½	1.00	6.5	Coghlin, B. J.	395	18	16	15½	15½
13	11	.75	+.35	Coll. Terminal	nil		11½		13
14	13	*.75	+.35	Do. pref.	nil		11½		13
101	91	*.95		Comb. Enter.	1050	101	101	91	91
12½	10	.80	7.3	Conduits Nat.	30	10½	11	10	11
170	136	1.50	1.3	Conf. Life	30	145	130	130	130
10½	6½	.50		Cons. Bakeries	234	6½	6½	6½	6½
1.50	1.20			Cons Div Sec A	100	1.45	1.50	1.50	1.50
30½	25	*2.00		Do. pref.	nil		26		26
		*.25		Cons. Fire ins.	nil		7	10	4
16½	16			Cons. Foods	nil		16		16½
47½	33½	*1.30	+.40	Cons. Paper	9122	37½	38½	35	35½
3	2½			Cons. Press A	nil		2.30	2.50	2.50
1½	1			Do (B)	50	1	1	1	1
38	26½	.80	+*.95	Cons. Smelters	16700	27½	33½	26½	27½
6.75	3.90			Cons. Textiles	nil		3.80	3.95	3.95
		1.00		Do. pref.	nil				†20½
28½	20	.80	3.0	Consumers' Gas	2949	28	28½	25½	27
33½	25	1.50	5.9	Consum. Glass	235	28½	*27	25	25½
				Cont. Can. $10 par	nil				
5	4½			Copp Clark	nil			4½	4½
18	14½	*1.10		Corbys Vot.	1765	15½	15½	14½	14½
17½	14	*1.10		Do. Non-Vot. B	280	15	15½	14	14
13½	11½	.70	5.1	Cosmos Imp.	400	13½	13½	13½	13½
7½	5½	.30	4.1	Craig Bit	nil		5	6½	6½
33½	26	.80	2.6	Crain, R. L.	175	23½	23½	23½	23½
				Credit Accept.	nil				
2400	4.40	4.50	4.40	4.40					
45	42	42	42	42					
2500	1.75	1.75	1.60	1.60					
75	50	50	50	50					
100	23	23	23	23					
160	50	50	47½	48½					
1500	21½	21	21	21					
320	155	4.00	1.8	Crow's N. Coal	10	210	225	225	225
51	49½	3.00	5.9	David & Fre. A	10	50	50½	50½	50½
12½	9½	*		Davis Leather A	190	9½	9½	9½	9½
4½	3½			Do. (B)	nil		3	3½	†3
150	150	*1.00		De Haviland A	nil		145	198	150
		1.50		Disher Steel	nil				10
25	25	1.50	6.0	Do. pref.	nil				25
39½	29½	1.20	+*.50	Distill-Seagram	9345	30½	30½	29½	29½
425	425	*10.00	+6.00	Dom. Ang. Inv.	nil		425		425
46	33	*.80		Dom. Bridge	7550	20	20	17½	19
35	30	*.45	+.30	Dom. Coal, pref.	170	10½	10½	9½	10½
34	34	33	33½	Dom. Corset	25	14½	14½	14½	14½
14	7			Dom. Dairies	30	7½	7	7	7
21	16	*		Do. pref.	12	17	16	16	16
14½	7	*.55		Dom. Electro	60	13	12	12	12
26½	21	*1.00	+.20	Dom. Engineer	100	21½	21	21	21
11	9½	.40	3.8	Dom. Fabrics	nil		10		10½
34½	32½	1.50	6.3	Do. 2nd pref.	nil			24	24
35½	27½	.80	2.8	Dom. Foundry	2125	29½	29	28	29
103½	98	4.50	4.7	Do. 4½% pref.	155	98	98½	96½	96½
52½	39	1.40	+.90	Dom. Glass	195	48	48½	46	46
33½	15	.70	4.7	Do. pref.	338	15	15	15	15
225	225	*8.00	+11.00	Dom. Insur.	nil		210	300	225
21½	12½			Dom. Magnes.	490	16½	15½	15	15½
36½	31½	1.60	+1.40	Dom. Oilcloth	280	32½	32	†30	31½
31	25½	*.80	+.20	Dom. Scot. Inv.	215	†25½	27½	27½	27½
		4½	2.5	Do. pref.	nil			45	45½
110	100	*2.00		Dom. Square	nil				110
12253	20½	21½	19½	20½					
3360	40½	40½	38	38½					
7631	12½	12½	11½	12					
65	19½	19½	19½	19½					
6352	8½	8½	7½	8½					
nil				†207					
100	.75	.75	.75	.75					
200	15	14	14	14					
1.00	.90	.90	.90	.90					
575	28	27½	26	26					
2947	35	35½	35	35					
1237	19½	19½	19	19					
95	90	3.75	4.2	Do. pref.	nil			89½	90
91	71	.55	7.1	Dupuis Fre A	nil		70	8	72
7.00	3.40			East Koot. Pr.	nil		5½	7	6
80	70			Do. pref.	nil		70	85	†84
8	4			East. Bak. 4% p	17833	46	46½	45½	45½
4	3			East Steel	975	4	5½	4	5½
200	13	13	13	13					
18	16	15	18	18½					
395	36	36	35½	35½					
1450	56½	56½	54½	55					
2.35	2.35			Edmonton Con	nil		2.25	2.50	2.35
1.25	1.21			Electrics Invest.	nil		.98		1.25
15	12½	a1.00	+1.25	Electrolux	5	12½	†12	†12	†12
93	91	*.75		Empire Life	10	75	73	73	73
8	6½	.40	5.8	Enam. & Heat. (B)	nil			6½	5½
1	1			Equitable Life	45	45	45	45	45
71	62	.60	8.9	Erie Fir. & W. A	nil				62
2.65	2.50	1.10		Do. (B)	nil		41	44	2.50
23½	18	1.04	5.3	Estabrooks pf.	nil		18½	25	19½
25	18	a1.50		Fanny Farmer	755	19½	19	18½	19
		*2.00	+1.00	Federal Fire	nil		50½		50½
36	27	*1.00		Federal Grain A	145	29	29	28½	28½
31½	26½	1.40	5.2	Do. pref.	100	27½	27	27	27
5½	4			Fibre Products	nil		4		5
6	6	*		Do. pref.	nil		3.90	5.00	†4.00
12½	11½	.80	6.9	Fisher B. A	nil		10	12½	12
9	7½	*.60	+stk	Do. B Exrts	nil		7½		9
8	4			Fittings	nil		2	4½	6½
12	9½	.90	5.5	Do. (A) pf.	nil		10	10	10
9½	8	*		Flash Fast. pref.	nil		18		14
2.00	.85			Fleet Mfg.	7400	1.25	1.35	1.10	1.10
59½	51	*2.40		Ford Motor (US)	354	53	52½	52	52½
138	107	5.00	4.6	Ford Can. A	911	112	113½	107	107½
149	119	5.00	4.2	Do. (B)	25	130	119	119	119
26	45	†*1.50		For., Pr. Secs.	nil			50	†40
28	18½	*.80	+.10	Foundation Co.	1275	20½	20	18½	19
41	31	*1.10	+.50	Fraser Cos.	2707	34½	34	31½	32½
15	15	.50	+*.50	Freiman	5	15	15	15	15
96½	90	4.50	5.0	Do. pref.	nil			95	90
8½	8½	.60	6.7	Freuhauf	1200	8½	8½	8½	8½
32½	26½	*1.25		Gatineau Pwr.	2096	27½	28½	27½	28
110	105	5.00	4.9	Do. pref.	100	105	101½	100	101½
115	101	5.00	4.9	Do. 5½% pref.	115	101	105	100	105
7½	5	.20	4.0	Gen. Bakeries	525	5	5	5	5
77½	45½	*2.40	+*	Gen. Dynamics	2270	49	52½	49	49½
56	56	a*2.00		Gen. Elec.	nil			65	56
49	39½	*2.00		Gen. Motors	1041	42½	43½	42	42
39½	34	*		Gen. Products A	25	34	34	34	34
48	40	*		Do. B	nil		39		40
11½	7½	.40	5.2	Gen. St. Wares	211	7½	8	7½	7½
9	8	.50	5.8	Do. pref.	7	8	8	8	8
7	4	.20	3.6	Goodyear Tires	7	44	140	140	140
162	45	2.00	4.4	Do. pref.	162	45	45	45	45
102	67½	12.00		Gord. Belyea A	nil				102
94	61	.50	6.7	Gord. MacKay A	125	7½	7½	7	7½
10	6½	.50	7.4	Do. (B)	nil		6½	7	6½
		a1.00		Gould Pumps, pf	nil				†16
17½	14			Grafton A	nil		15	17½	14
35½	32	*.75	+.30	Grand & Toy	nil		45	49	35½
37½	37½	1.00	2.6	Gt. Lakes Paper	3475	39	38	†37	38
71	51			Gt. North Gas	902	6½	6	5½	5½
31	2			Do. Warr.	200	2½	2½	2	2
47	43	2.50	5.5	Do. pref.	nil			43	45
11½	8	.50	5.8	Gt. West Coal A	200	8½	8½	8½	8½
8	8	*.50		Do. (B)	100	8	8	8	8
24	20	1.20	+1.25	Gt. West-Life	310	25½	3.00		25½
142½	96	a3.00	+	Gt. W. Saddlery	100			21½	20
		a4.00		Greening Wire	100	5	5½	5½	5½
44½	28	*a1.35		Int. Pete.	22903	40½	44½	41½	44½
295	190	2.40	0.9	Int. Power	180	285	290	275	275
58½	38½	*a1.90		Int. Util.	700	48½	48½	46½	46½
50	39	*1.40		Do. pref.	nil				49
16	12	*.95		Interp. Bld. Cr.	3910	16	15	15	15
24	24			Do. A Warr.	nil		2	3	2½
1.25	.80			Do. B Warr.	nil		.80	1.30	1.00
50	27½	*1.10		Interp. Pipe	8976	45½	47½	43½	47
13½	10½			Interp. Util.	100	12	10½	10½	10½
43½	41	*1.80	+.40	Inv. Foundation	28	43½	42	42	42
61	55	3.00	5.2	Do. pref.	nil		57	60½	58
2.60	1.30			Isotope Pro.	3750	1.45	1.45	1.25	1.25
29	24	1.50	6.1	Jam. Pub. Ser.	nil			24½	24½
108	108	7.00	6.8	Do. pref.	106	108	106	106	106
85	45½	*2.50	+.25	Johns-Man.	85	45½	45½	45½	45½
11	10½	.60	5.7	Johnson Term. p	nil			10½	10½
18	18	.80	+*	Journal Pub.	nil		16½	18	†16½
17	9½	*.80		Kelvinator	25	9½	†8½	†8½	†8½
				La Comp. Fon.	nil				27
24	19½	1.20	6.2	Labatt, John	3010	20½	20½	19½	19½
144	136	7.00	5.1	L. of Woods pfd.	nil			135	136
17	11½	.60	5.2	Lambert, Alf. A	125	11½	12	11½	11½
19½	15½	.60	4.0	Do. (B)	nil		15		†15
				Langley's pfd.	10	36	†36	†36	†36
				Latonia	nil		16½	18	
31	17	*1.00	+1.20	Laura Secord	725	18	18	17	18

Where there have been no transactions during the week covered, the word "nil" is shown under sales and the quotations shown are the bid, ask and last sale price, instead of high, low and close.

Range 1956 High	Low	Div. Y'ld R'teNov23 $	%	Company	Sales	Last Nov. 16	Week end. Nov. 23 H	L	Close
11	9½	*.50	+.10	Laur. Accept. A	500	9½	9½	9½	9½
1.00	.80			Do. Wts.	nil			.80	.60
21	20½	*		Lawson & J. A	nil		20	20½	20½
21½	11½	*1.00		Do. B	nil		21½		21½
10	8½	.60	8.7	Lewis Bros.	350	9½	9	9	9
57½	43	*1.31½		Loblaw A	28	46	45	45	45
101	70	*1.91½		Do. (B)	20	†68	†68	†68	†68
32½	28½	1.50	5.1	Do. A pref.	845	29½	30	29

Mine and Oil Stocks

Range 1956 High	Low	Div. Rate $	Company	Sales	Last Nov. 16	Week Ending November 23 High	Low	Close
.84	.19	...	C. Gold. Arr	13,500	.22	.21	.19	.20
.50	.25	...	C. Guayana	4,850	.26	.25	.25	.25
3.75	.44	...	C. Hall'well	465,100	1.80	1.78	1.52	1.64
5.10	2.40	...	Con. Howey	4,726	3.70	3.65	3.40	3.40
.87	.25	...	C. Marbenor	6,100	.30	.30	.25	.25
.28	.25	...	Con. Marcus	nil	...	.20	.29	.28
.12	.10½	...	C. Monpas	3,000	.11	.12	.11	.11
1.10	.17½	...	C. Morrigon	4,500	.20	.20	.17½	.18
.94	.53	...	C. Mosher	3,800	.56	.56	.53	.53
.44	.19	...	Con Negus	2,000	.19	.19	.19	.19
.45	.10	...	Con. Nich	12,333	.10½	.10½	.10	.10
2.04	.71	...	C. Northland	7,222	.90	.85	.75	.75
.40	.16½	...	C. Pershcourt	14,999	.20	.20	.20	.20
1.10	.51	...	C. Que G	1,500	.55	.55	.52	.52
1.10	.20	...	C. Que Y	71,800	.45½	.41	.20	.23
.69	.21	...	C. Red Pop.	23,385	.28	.27½	.21	.22
1.39	.45	...	C. Regcourt	400,100	1.00	1.00	.57	.77
.25	.08½	...	C. San'rm	12,000	.09	.09	.08½	.08½
38.00	26.50	.60	Con. Smelt.	16,700	27.25	28.37½	26.50	27.12½
		+*.95						
5.40	2.80	...	Con. Sud'ry	74,597	3.10	3.10	2.80	2.85
.60	.16	...	Con. Thor	7,600	.22	.16½	.16	.16
.90	.19	...	Con. Tung	13,575	.23	.25	.19	.19
2.25	1.00	...	Con Potash	2,737	1.00	1.05	†.70	1.00
8.00	5.00	...	Conwest	1,64[illegible]	5.75	5.70	5.50	5.50
3.00	1.07	...	Copper Corp	30,8[illegible]	1.26	1.30	1.07	1.19
.71	.39	...	Coppercrest	5,60[illegible]	.45	.45	.42	.44
.58	.13	...	Copper Man.	7,724	.14½	.14	†.12	.14
7.25	4.60	...	Cop. Rand	81,717	4.95	5.00	4.60	4.75
.20	.05	...	Cortez	22,000	.11½	.11½	.08½	.10
2.18	.62	...	Coulee	59,550	.75	.75	.62	.65
.29	.11	...	Cournor	3,500	.13	.12	.12	.12
3.10	1.20	...	Cowichan	16,400	1.41	1.50	1.32	1.38
.16	.08	...	Crestaurum	4,000	.09½	.09½	.09	.09
.37	.19	...	Croinor	4,500	.21	.21	.20	.20
.10	.04	...	Cron. Bab	4,500	.05	.04	.04	.04
.73	.20	...	Crowpat	20,250	.34	.34	.24	.26
.00½	.00½	...	Cryderman	nil	...	.01	.03	.00½
.39	.12½	...	Cusco	39,349	.16½	.17½	.12½	.14
.45	.22	...	Darring	7,575	.30	.30	.22	.30
.28	.08	...	Daine	7,600	10	.11	.08	.08½
1.26	.27	...	D'Aragon	62,300	.35	.35	.27	.30
1.00	.40	...	Decoursey B	22,250	.50	.50	.46	.50
.47	.13	...	Do. warr	3,000	.14	.14	.13	.14
.85	.37	...	Deer Horn	60,200	.58	.56	.40	.43
.32½	.14	...	D'Eldona	8,398	15	.15½	.14	.14
.88	.68	.04	Delnite	500	.67	.68	.68	.68
1.00	.13	...	Desmond	18,467	.18	.18	.13	.15
.20	.07½	...	Detta Min.	31,400	.08	.08½	.07½	.08
.93	.14	...	Diadem	48,071	.18	.18	.14	.15
.30	.07	...	Dickstone C.	2,700	.19	.17	.15	.15
15.87½	12.00	.70	Dome M.	2,650	12.37½	12.50	12.00	12.50
.70	.28	...	Donalda	50,900	.35	.35	.28	.32
.09	.04	...	Doreen	nil	...	.04	.05	.04½
3.05	.50	...	Duvan	29,600	.54	.55	.50	.50
.47	.18	...	Duvex	14,350	22	.23	.20	.21
1.60	.50	...	Dyno	63,750	.55	.58	.50	.56
.13½	.08	...	East Amph.	9,900	.08½	.08	.08	.08
2.52	1.26	*.05	East Mal.	15,225	1.36	1.36	1.26	1.30
6.75	4.40	*.45	East Sull.	17,445	4.95	5.05	4.40	4.80
		+.10						
1.50	.55	...	East. Asb	7,200	60	.60	.55	.55
1.08	.41	...	East. Metals	45,850	.52	.50	.41	.41
7.70	4.00	...	East Min.	29,532	4.50	4.65	4.00	4.10
.79	.33	...	Elder	nil	...	.32	.39	.38½
1.80	.36	...	Eldrich	27,900	.43½	.45	.39	.40
1.20	.09	...	El Pen-Rey	65,067	.33	.33	.30	.30
.36	.09½	...	El Sol	41,400	.21	.21	.15	.16½
.31	.15	...	Emerald	8,000	.17	.18	.17	.18
2.35	.56	...	Eureka	93,798	.69	.70	.56	.64
1.30	.39	...	Explor. All.	29,320	.48	.50	.39	.40
.50	.15	...	Fab. Met	2,000	.20	.16	.15	.15
44.00	29.00	*1.00	Falconbridge	7,769	35.50	35.50	31.50	33.50
		+.20						
.49	.21	...	Fano	8,000	.25	.24	.22	.23
2.37	1.05	...	Faraday	27,250	1.57	1.55	1.40	1.45
.75	.50	...	Do. warr	1,875	.65	.73	.69	.69
.72	.19	...	Farw't Tung	6,800	.20	.20½	.19	.19
.62	.20	...	Federal	18,600	.26	.25	.23	.23
.01½	.00½	...	Flin Flon	1,000	.01	.01	.01	.01
.28	.07	...	Fontana '43	14,100	.07	.08	.07	.07
.70	.34	...	Forty-Four	nil	...	.40	...	.45
.26	.07½	...	Francoeur	19,000	.14	.14	.12	.12
4.75	2.70	...	Frobisher	38,100	3.10	3.15	2.70	2.76
87.00	78.00	...	Do. 4% deb.	nil	...	76.00	80.00	80.00
.42	.15	...	Fundy Bay	10,500	.17	.18	.16	.18
.54	.16	...	Gaitwin	98,100	.30½	.31	.27	.31
56.00	34.00	...	Gaspe Cop.	165	38.50	39.00	38.00	38.00
24.00	15.75	...	Geco	3,396	16.25	16.37½	15.75	16.00
.64	.21	...	Genex	17,700	.25	.25	.21	.22
3.90	.85	...	Geo-Scient.	5,500	1.00	.90	.85	.85
1.05	.23	.06	Giant Mas.	6,100	.35	.27	.23	.25
6.30	4.50	*.30	Giant Y'fe	6,870	4.70	4.75	4.50	4.50
1.60	.60	...	Glenn Ur.	39,749	.79	.79	.66	.67
.46	.19½	...	Goldale	12,000	.20	.22	.20	.20
.36	.11	...	Gold Crest	9,000	.12	.12	.12	.12
.13½	.07	...	Gold Eagle	4,500	.07	.08	.07½	.07½
.01½	.00½	...	Gold Lake	nil	...	.01½	.01½	.01½
.45	.26	...	Golden Age	5,000	.31	.27	.26	.27
5.00	1.85	...	Gold Man	8,100	1.95	1.95	1.85	1.95
.60	.20	...	Goldfields	5,100	.23	.21	.20½	.20½
.45	.13	...	Graham R.	30,320	.15	.15	.14	.14
19.75	10.25	*•.25	Granby	nil	...	9.50	11.50	†10.00
.65	.17	...	Grandines	39,134	.21	.23	.17	.18
9.45	4.00	...	Granduc	3,800	4.25	4.30	4.15	4.15
.32	.11	...	Grandview	nil	...	...	...	.11
.03½	.02	...	Great Falls	nil	...	.02	.03	.02
1.09	.32	...	Greyhawk	44,300	.36	.39	.33½	.37½
.21	.09	...	Gul-Por Ur.	1,500	.09½	.10	.10	.10
1.49	.30	...	Gulch	16,600	.40	.44	.35½	.35½
.26	.08	...	Gulf Lead	26,500	.12	.13	.08	.10
20.50	15.25	...	Gunnar G.	8,300	19.50	19.37½	18.00	18.25
12.75	8.30	...	Do. warr	6,130	10.25	10.25	9.75	9.93
.29	.08	...	Gwillim L	24,100	.10	.10	.08	.09½
.34	.19	...	Haitian	129,400	.25	.24	.19	.22
3.50	3.25	*.19	Halinor	nil	...	3.00	3.45	3.45
.09	.03	...	Hamil	nil	...	.03	...	.03½
.22	.10½	...	Hard Rock	44,500	.12	.12½	.11	.11
1.70	.30	...	Harr. Min	80,300	.45	.43	.32	.34½
.24	.13	...	Hasaga	3,011	.13	.13	.13	.13
.20	.10	...	H'd of Lakes	6,500	.11	.11	.11	.11
2.09	.56	...	Headway	93,950	.75	.73	.56	.62
.39	.10	...	Heath	51,200	.17½	.17	.14	.14
.15	.05½	...	Heva G.M.	12,700	.07	.07½	.06	.06
.97	.70	...	High.-Bell	11,100	.90	.95	.86	.90
30.12½	22.37½	.24	Hollinger	5,913	25.75	25.87½	23.25	23.25
10.87½	5.90	...	Hoyle	10,020	6.50	6.45	5.90	5.90
87.50	64.00	*5.00	Hudson Bay	6,361	85.50	85.50	81.00	82.50
		+1.00						
.52	.09	...	Hudson R.	114,350	.50	.52	.47	.51
.35	.28	...	Hugh Pam	9,000	.30	.31	.28	.28
.31½	.06	...	Imperial	28,000	.08	.08	.07	.08
.86	.15	...	Indian L	58,800	.19	.20	.16	.16½
.07½	.04	...	Indian M.	nil	...	.03½	.04	.04
1.74	.75	...	Inspiration	23,850	.88	.86	.75	.80
110.37½	78.25	*•2.60	Int. Nickel	24,436	97.75	98.00	91.50	92.50
		+11.35						
131.87½	115.00	•7%	Do. pfd	265	115.37½	115.75	115.00	115.50
6.62½	6.25	•7%	Do. $5 pfd.	nil	...	...	6.00	†6.00
1.80	.35	...	Int. Ranwick	20,800	.40	.40	.35	.35
3.85	2.02	...	Irish Cop.	16,525	2.25	2.25	2.02	2.15
4.75	1.80	...	Iron Bay	4,000	2.10	2.05	1.80	1.80
.03	.01	...	Island Lk	nil	...	.02	.02½	.02
.35	.15	...	Iso. Uran	3,000	.15	.19	.15	.15
1.30	.10	...	Jackson M.	3,734	.10	.12	.10	.11
.40	.19½	‡.01	Jack Waite	3,000	.21	21	.20	.20
		+.00½						
.52	.20	...	Jacobus	8,355	.23	.24	.22	.23
.36	.11	...	Jardun	1,000	.15	.12	.12	.12
1.38	.51	...	Jaye	55,300	.85	.85	.65	.75
.94	.28	...	Jeanette	19,800	.41	.46	.35	.46
...	...	...	Jeep	nil	...	...	...	.22
.43	.09½	...	Jellicoe	115,700	.33	.32	.28	.29
.34	.08½	...	Joburke	23,000	.08½	.11	.10	.10
1.29	.45	...	Joliet Que.	39,100	.50	.55	.45	.47
.50	.12	...	Jonsmith	25,000	.15	.15	.12	.14
1.39	.56	...	R. J. Jowsey	18,226	.63	.63	.56	.56
.16½	.08	...	Kenville	58,500	.14	.15	.11	.15
22.00	16.25	.80	K.-Addison	5,850	16.50	16.75	16.25	16.75
.94	.35	...	Kerr Lake	nil	...	.39	.39	.39
.13½	.07	...	Keyboycon	12,500	.07	.07½	.07	.07
.90	.41	...	Keymet	1,120	.47	.41	.41	.41
5.10	2.00	...	Kilembe	6,500	2.25	2.45	2.00	2.25
3.20	.50	...	Do. warr	18,350	1.05	1.00	.50	.81
.90	.25	...	Kirk. H. Bay	32,400	.32	.31	.25	.28
2.09	1.15	...	Kirk. Min.	11,672	1.30	1.35	1.15	1.15
.40	.17	...	Kirk. Town	3,000	.18	.17	.17	.17
.43	.12	...	Kontiki Ld.	12,500	.12	.12½	.12	.12
.05	.02½	...	Koot. Base	nil	...	.02½	...	.02½
25.00	18.00	...	Labrador	1,951	19.62½	19.50	18.87½	19.37½
3.75	.55	...	Lk. Cinch	10,300	.90	.95	.85	.86
3.55	1.59	...	L. Dufault	20,190	1.99	1.95	1.59	1.61
.25	.12	...	L. Lingman	15,050	.12½	.12½	.12	.12
.38	.18	...	Lk. Osu	1,500	.19	.18	.18	.18
6.00	3.00	‡.10	Lk. Shore	13,650	3.30	3.30	3.00	3.05
.37	.20	...	Lk. Wasa	3,500	.20	.20	.20	.20
4.45	2.65	.10	La Luz	300	3.45	3.50	3.25	3.25
3.55	2.45	*.20	Lamaque G.	1,010	2.65	2.50	2.50	2.50
1.08	.68	*.06	Leitch Gold	13,960	.80	.80	.71	.75
.41	.10	...	Lencourt	7,500	.10	.11	.10	.11
.35	.14	...	Lexindin	2,600	.15½	.15	.14	.14
.24	.10	...	Lingside	10,000	.12½	.12	.10	.10½
2.50	.60	...	Lithium	500	.65	.65	.65	.65
3.35	1.29	...	Little L.L.	23,070	1.60	1.75	1.60	1.75
.28	.08½	...	Lomega	34,032	.11½	.11½	.09	.10
2.18	.91	...	Lorado Ur.	52,400	1.11	1.14	1.00	1.00
.40	.17	...	Louvicourt	10,700	.17	.18	.17	.17
2.50	.56	...	Lyndhurst	116,550	.68	.70	.61	.69
.17½	.08	...	Lynx Yk.	3,000	.09	.09	.09	.09
2.30	1.80	*.12	Macassa	5,450	1.96	1.92	1.80	1.80
1.51	.58	...	MacDonald	7,500	.62	.62	.62	.62
.24½	.09	...	Macfie	19,000	.10	.10	.09	.10
.62	.32	...	Mackeno	141,340	.44	.45	.40	.41
1.63	1.18	*.10	Macleod	12,750	1.20	1.25	1.18	1.20
2.70	1.90	*.10	Mad. R.L.	7,750	1.95	1.99	1.90	1.95
		+.10						
.31½	.08½	...	Magnet	13,125	.07½	.09	.08½	.09
2.65	1.15	*.05	Malartic G.	7,880	1.15	1.16	1.15	1.15
.41	.13	...	Maneast Ur.	32,400	.13	.18	.14	.14
.49	.17	...	Maralgo	7,300	.20	.20	.18	.18
.38	.08	...	Marcon	16,000	.10	.11	.08	.08½
3.20	2.05	...	Maritimes	63,280	2.27	2.30	2.05	2.08
.39	.11	...	Martin McN.	22,700	.12½	.13	.12	.13
.65	.30	...	Massberyle	nil	...	...	...	.25
.95	.55	...	Matachewan	nil	...	.55	1.00	.55
2.20	.60	...	Maybrun	77,819	.70	.70	.60	.65
95.50	76.00	2.00	McIntyre	618	78.50	78.25	†75.00	76.00
		+*1.00						
.45	.26	...	McK. R.L.	nil	...	.25	.30	.26
.35	.10	...	McMarmac	11,440	.14	.15	.11	.15
.70	.25	...	McWatters	7,500	.26	.28	.25	.25
1.37	.34	...	Mentor Exp.	18,700	.40	.40	.34	.34
.58	.25½	...	Mercedes	15,550	.42	.45	.39	.42
4.65	1.88	...	Merrill Is.	81,925	2.10	2.40	1.88	1.92
.47	.16	...	Meta Ur.	21,000	.18	.18	.16	.16
3.30	.81	...	Midrim	75,352	1.51	1.58	1.51	1.54
1.07	.45	...	Midwest	29,400	.75	.77	.74	.77
2.80	1.15	...	Milliken L.	50,200	1.40	1.43	1.25	1.27
.42	.11½	...	Mindamar	12,200	.13	.13	.11½	.12
20.37½	17.50	*1.50	Mng. Corp.	1,910	19.50	19.50	17.50	19.00
		+1.25						
.95	.36	...	Min. End.	89,630	.50	.50	.40	.44
1.00	.17	...	Min-Ore	23,142	.21	.20½	.17	.19
1.40	.40	...	Mogador	2,100	.43	.43	.40	.40
3.95	2.00	...	Mogul	33,855	2.30	2.50	2.00	2.12
1.47	1.00	...	Molyb'nite	1,600	1.06	1.05	1.00	1.05
.90	.60	*.05	Moneta	27,100	.66	.68	.60	.66
5.35	1.79	...	Montgary	103,050	2.35	2.30	1.85	2.08
.79	.52	...	Montpre	31,050	.68	.70	.63	.67
1.28	1.10	...	Multi-Min	26,950	1.10	1.12	1.10	1.10
2.15	.72	...	Nama Cr.	20,950	.80	.82	.77	.81
1.47	.36	...	Nat. Ex.	21,300	.40	.40	.36	.37
.45	.20	...	Nello Min.	4,000	.25	.22	.22	.22
4.10	.69	...	Nesbitt L.	97,410	1.09	1.09	.69	.75
.41	.10	...	N. Alger	82,900	.17	.18	.15	.16
.93	.45	...	N. Athona	8,640	.53	.53	.45	.45
.31	.10½	...	New Bidl'e	9,600	.11½	.11½	.10½	.10½
1.40	.48	...	N. Calumet	9,900	.53	.51	.50	.50
1.15	.36	...	N. Delhi	6,800	.39	.41	.36	.36
2.05	1.34	*.10	N. Dick'n	16,350	1.42	1.42	1.34	1.34
.65	.08	...	N. Formaque	32,600	.37	.37	.30½	.34
.63	.15	...	N. Fortune	37,100	.17½	.18	.15	.16
.38	.11	...	N. G'dvue	10,400	.13	.13½	.11	.11
.40	.15	...	N. Har'na	7,950	.19	.19	.15	.16
1.10	.26	...	N. H'ridge	85,300	.42	.41	.26	.32
.50	.15	...	N. Hosco	4,425	.20	.20	.15	.15
.70	.14	...	N. Jack Lk.	39,675	.58	.55	.47	.51
.54	.08	...	N. Jason	44,000	.09	.09½	.08	.08½
.33	.15	...	N. Kelore	23,300	.17½	.18	.15	.17
5.65	4.25	...	Newkirk	19,050	4.65	4.75	4.30	4.70
.89	.28	...	N. Lafayette	5,725	.28	.33	.28	.33
1.40	.25	...	Newlund	30,600	.31	.36	.25	.27
1.55	.70	...	N. Man.	11,100	.95	.90	.80	.80
.98	.23	...	N. Minda-S.	35,710	.38	.36	.30	.36
.27	.10	...	N. M'l'que	8,700	.10	.11	.10	.10
.17	.09	...	Newnorth	25,000	.10½	.10½	.09	.09
2.05	1.15	...	N. Pac. Coal	4,309	1.25	1.35	1.15	1.15
.31½	.09	...	N. Rouyn	9,000	.10	.11½	.10	.10
.16	.09	...	N. Santiago	9,500	.10	.10	.09	.09
.20	.06½	...	N. Senator	29,300	.07½	.09	.06½	.09
.37	.22	...	N. Taku	500	.22	.22	.22	.22
1.00	.07½	...	N. Vinray	7,500	.11	.12	.08½	.09
5.05	1.37	*...	Nickel Rim	23,800	3.55	3.50	3.05	3.10
5.25	2.37	...	Nipissing	15,270	3.00	3.00	2.80	2.82
.43	.09	...	Nisto	23,800	.10½	.10	.09½	.10
.15	.08½	...	Nocano	1,500	.08	.09	.09	.09
1.46	.42	*.01½	Nor-Acme	21,025	.65	.63	[illegible]	.50
66.62½	51.50	2.00	Noranda	6,682	55.50	55.87½	52.00	52.00
.56	.13	...	Norgold	12,100	.15	.13½	.13	.13
.17	.10	...	Norlartic	3,175	.12	.11½	.11	.11
7.90	5.85	*.65	Normetal	12,937	6.45	6.45	5.85	6.25
2.00	.46	...	Norpax	1,012,750	1.09	1.10	.82	.85
.64	.40	...	Norsy'maque	12,425	.50	.50	.42	.42
1.50	.90	...	N. Am R.M.	13,500	1.40	1.39	1.25	1.39
.14½	.06½	...	North Inca	39,000	.06½	.07	.06½	.06½
1.73	.80	...	N. Rankin	309,000	1.16	1.16	.87	.96
2.30	.56	...	North Can.	29,700	1.66	1.69	1.30	1.40
5.05	3.15	...	North-Span	22,435	4.45	4.45	4.20	4.30
.51	.15	...	N.W. Vent	500	.17	.17	.17	.17
.85	.18	...	Norvalie	12,650	.25	.23½	.18	.18
.10	.02½	...	Nuclear	nil	...	.02½	.03	.02½
8.5	.28	...	Nudulama	38,600	.35	.36	.28	.28
.75	.18½	...	Obalski	32,900	.20	.23	.18½	.19½
.27	.06	...	Obaska	9,550	.07	.07	.06	.07
1.30	.55	*.02	O'Brien	8,225	.62	.60	.58	.60
.41	.11½	...	Ogama	34,500	.18½	.18	.15	.17
1.30	.45	...	Oka	24,850	.50	.53	.45	.45
.45	.19	...	O'Leary	89,500	.22	.22	.19	.20
.12	.04	...	Omnitrans	23,500	.08	.08	.06	.08
1.20	.34	...	Opemisca	24,600	.42	.42	.34	.37
19.87½	8.20	...	Opemiska	20,195	12.75	13.00	11.12½	11.50
.27	.14	...	Orchan	nil	...	...	.14	.15
.57	.20	...	Orenda	25,800	.28	.27	.24	.26
.94	.30	...	Ormsby	1,000	.35	.35	.35	.35
.63	.30	...	Osisko	22,750	.34½	.34½	.30	.30
.16½	.10	...	Pac. East	108,200	.14½	.14½	.11	.11
.62	.27½	...	Pac. Nickel	1,000	.44	.42	.42	.42
.78	.46	...	Pamour P.	1,000	.47	.47	.46	.46
.23	.09	...	Paramaque	8,500	.10	.10	.09	.09
.19	.07½	...	Parbec	16,500	.07½	.08	.08	.08
1.53	.46	...	Pardee	16,486	.54	.53	.46	.49
1.90	.50	...	Pater	9,400	.72	.72	.65	.68
6.75	4.00	*.60	Pato Cons.	2,000	4.55	4.90	4.55	4.90
		+.75						
.39½	.21	*.01	Paymaster	25,175	.23	.23	.21	.21
5.15	3.25	*•.12½	Pend Oreille	2,150	3.55	3.75	3.25	3.25
.58	.25	...	Pennbec	2,200	.30	.40	.25	.40
.34	.22	...	Perron G	1,100	.26	.22	.22	.22
2.25	1.10	.10	Pickle Crow	6,413	1.20	1.20	†1.00	†1.00
2.10	1.40	*.12½	Pioneer G.	5,000	1.50	1.60	1.40	1.45
.18	.08	...	Pitch-Ore	23,500	.09	.09½	.08	.08
.36	.11	...	Pitt G.	27,800	.11	.12	.11	.12
14.87½	11.50	*1.00	Placer Dev.	11,900	12.25	12.00	11.50	11.62½
.33	.10	...	Porc. Prime	5,000	.10½	.10	.10	.10
1.43	.27	...	Portage	35,300	.44	.46	.40	.42
.68	.45	...	Powell R.	2,550	.50	.45	.45	.45
.23½	.05½	...	Prem. Bord.	20,250	.11½	.11	.08	.08½
8.30	5.60	.08	Preston E.	2,850	5.90	5.90	5.75	5.80
9.40	4.50	...	Pronto	1,720	5.25	5.25	5.05	5.30
5.40	1.20	...	Do. warr.	1,500	2.15	2.00	1.71	1.90
2.25	1.05	...	Prospectors	12,550	1.45	1.38	1.05	1.35
.45	.11	...	Purdex	9,000	.12	.14	.11	.11
.90	.38	...	Quatsino	12,420	.44	.43	.41	.42
4.85	1.47	■	Que. Chib.	131,030	1.70	1.70	1.47	1.50
3.50	1.10	...	Que. Cop.	26,800	1.30	1.32	1.10	1.10
.32	.09½	...	Que. Lab.	31,000	.11½	.13	.11	.11
15.00	8.50	...	Que. Lith	6,035	9.00	9.10	8.50	8.85
1.94	.60	...	Que. Man.	9,200	.80	.76	.60	.63
4.60	2.10	...	Que. Met.	27,930	2.40	2.40	2.10	2.10
1.35	.44	...	Que. Smelt.	79,200	.69	.69	.57	.64
.30	.18	...	Queenston C.	5,000	.21	.20	.18	.18
30.00	19.00	*2.00	Quemont	3,258	19.50	19.50	19.00	19.00
1.80	.95	...	Radiore	12,100	1.05	1.10	1.00	1.03
2.50	1.05	...	Rainville	2,925	1.25	1.20	1.05	1.05
6.05	.90	...	Rare Earth	29,750	1.20	1.20	.90	.91
2.85	1.30	...	Rayrock	15,375	1.55	1.55	1.43	1.45
.05	.02	...	Red Cloud	nil	...	.02½	.02½	.02½
.39	.10	...	Red Crest	46,500	.14	.14	.10	.12
.15	.03½	...	Red Hawk	13,000	.05	.06½	.06	.06
2.70	1.80	*.25	Reeves McD.	2,800	1.95	2.00	1.95	2.00
2.60	2.05	*.20	Renabie	200	2.20	2.05	2.05	2.05
.75	.19	...	Rexspar	9,600	.40	.36	.35	.36
.08	.01½	...	Rice Lake	nil	...	.02	.04	.04
.34	.13	...	Rio-Rup.	17,667	.15	.15	.13	.14
1.20	.51	...	Rix-A'basca	12,130	.59	.57	.51	.57
.26	.10	...	Roche L.L.	10,500	.11½	.12	.10	.11
.70	.17	...	Rockwin	7,200	.23	.21	.17	.20
.24½	.08	...	Rowan Con.	11,200	.10	.10	.08	.10
.24	.11½	...	Ryanor	4,000	.13½	.12	.11½	.11½
1.19	.23	...	St. Michaels	22,900	.29	.29	.25	.29
1.47	.54	‡.06	San Antonio	2,506	.67	.66	.54	.55
.30	.10	...	Sand River	12,400	.11	.11	.10	.10½
...	...	...	Scotia Gold	nil	...	.00½	...	.01½
.29	.09	...	Shawkey '45	19,333	.09½	.10	.09	.09
2.25	.90	*.05	Sheep Creek	100	.97	.90	.90	.90
10.37½	6.70	...	Sherritt G.	61,203	7.30	7.35	6.70	6.80
5.40	4.55	.40	Sigma Mines	700	4.60	4.55	4.55	4.55
.27	.10	...	Silanco	17,200	.11	.11	.10	.11
.27	.12	...	Silbak Prem.	24,800	.20	.20	.12½	.14
1.70	.75	*.03	Silver M.	39,975	.86	.86	.75	.77
.37	.06	...	Silver R.	nil	...	...	...	.11
.80	.30	‡.02	Silver Std.	16,600	.40	.40	.30	.40
1.16	.52	*.01½	Siscoe	11,210	.75	.77	.70	.70
.47	.09	...	Skeena	9,000	.10	.09	.08	.08
.31	.12	...	Slocan Duv.	29,799	.14	.14	.12	.14
.16	.06	...	Soma Duv.	4,000	.07	.06½	.06	.06½
.61	.10½	...	South Duf.	3,000	.13	.12	.10½	.10½
.20	.03	...	Spud Valley	22,400	.12	.12	.10	.12
.55	.25	*.02	Stad'n '44	22,350	.25½	.26	.25	.25
.45	.20	...	Standard G.	nil	...	...	.19	.20
3.15	2.15	...	Stanleigh	27,430	2.45	2.60	2.15	2.25
.02	.00½	...	Star Lk.	8,000	.01	.00½	.00½	.00½
.99	.42	...	Star Uran.	4,500	.57	.50	.45	.45
.20½	.08½	...	Starrat O.	64,500	.10½	.10½	.09	.09
.18	.07½	...	Steeloy	18,000	.09	.08½	.07½	.07½
24.75	15.00	...	Steep Rock	33,660	20.50	20.25	19.25	19.25
1.20	.46	...	Sturgeon R.	15,300	.60	.58	.46	.46
.22½	.10	...	Sudbury G.	8,900	.11	.11	.10	.10
6.70	3.40	*.18	Sullivan C.	22,000	3.70	3.70	3.40	3.40
		+.04						
.40	.25	...	Sunshine	2,000	.30	.30	.29	.29
1.85	1.02	...	Surety	21,850	1.38	1.40	1.20	1.30
.20	.07½	...	Surf Inlet	1,000	.08	.07½	.07½	.07½
1.43	.90	.08	Sylvanite	11,050	.99	1.00	.90	.99
.72	.21	...	Tache Lake	54,500	.40	.40	.34	.38
.17	.08½	...	Tandem	14,522	.09	.08½	.08	.08½
.45	.19	...	Tarbell	24,100	.20	.25	.19	.20
.47	.36	...	Taurcanis	4,600	.36	.40	.33	.36
.28	.19	...	Taylor B	nil	...	...	.22	.19
.26	.08	...	Tazin	5,500	.08	.08	.08	.08
2.75	1.45	.15	T.-Hughes	13,700	1.55	1.55	1.45	1.47
9.00	2.25	...	Temagami	6,175	4.00	4.10	3.90	4.00
3.00	.80	...	Thompson	67,300	1.02	1.04	.80	.85
.54	.12	...	Tiara	116,016	.23½	.28	.18	.18½
.85	.12½	...	Tib. Exp.	nil	...	.25	.35	.35
.58	.16	...	Tombill	7,500	.19	.18	.16	.16
1.25	.31	‡.08	Torbrit S	5,100	.36	.36	.31	.31
4.10	2.15	...	Torbrook	12,000	3.90	3.80	3.60	3.75
.32	.09½	...	Towagmac	4,500	.13	.13	.09½	.11
2.50	1.00	...	Tr. Can. Ex.	14,860	1.28	1.25	1.00	1.00
.53	.24	...	Trans. Res.	59,600	.27	.28	.24	.27
.70	.19	...	Trebor	5,500	.27	.25	.22	.22½
.52	.40	...	Tribag	3,900	.46	.47½	.44½	.45
.50	.27	...	Trinity	nil	...	.25	.30	.31
2.65	.25	...	Trojan	18,400	.27	.27	.25	.25
.38	.33	...	Ultra-Shaw	1,058	...	.35	.33	.33
.37	.17½	...	Union Min.	5,500	.19	.20	.18	.19
8.60	5.70	...	United Asb.	14,850	6.15	6.25	5.70	5.75
.36	.11	...	Un. Estella	8,320	.13	.12½	.11	.12
8.00	5.90	*.40	Un. Keno	1,725	6.35	6.10	5.90	6.00
		+.15						
.40	.15	...	Un'd Mont.	8,500	.15½	.16½	.15	.16½
1.34	.70	*.02½	Upper Can.	16,700	.80	.78	.70	.71
.10	.01	...	Utica	nil	...	.02	.03½	.03½
.48	.15	...	Valor	9,000	.19	.19	.17	.17½
.12½	.02½	...	Van'da '48	nil	...	.03	.03½	.03½
49.00	34.50	*.40	Ventures	3,682	37.00	37.00	34.50	35.50
1.92	.16½	...	Vico	176,400	.21	.21	.16½	.17
3.40	1.35	...	ViolaMac	13,500	1.70	1.70	1.35	1.35
3.10	1.65	...	Virginia	65,250	2.45	2.50	2.10	2.40
15.25	12.50	*1.40	Waite Am.	2,222	14.00	13.75	12.50	12.75
.80	.38	...	Weedon Pyr.	40,000	.40	.40	.38	.39
.14½	.06	...	Wendell	9,000	.06	.06	.06	.06
.75	.21	...	Werner Lk.	14,700	.25	.25	.21	.25
.65	.40	...	West Ex.	nil	...	...	...	.55
.31	.08½	...	West Mal.	32,200	.11	.11	.10	.11
.45	.13	...	Westville	36,500	.15	.16	.14½	.14½
3.40	2.17	...	Willroy	18,275	2.50	2.50	2.25	2.39
.18	.10	...	Wiltsey C.	20,000	.14½	.13	.12	.12½
.16½	.08	...	Winchester	8,500	.09	.08½	.08	.08
.52	.15	...	Windw'd	4,500	.18½	.18	.17	.17
.08	.03½	...	Wpg. R. Tin	nil	...	...	...	.04
2.07	1.42	.12	Wright-Har.	4,811	1.50	1.52	1.42	1.50
.55	.28	*.04	Yale Ld.	12,425	.30	.32	.28	.32
.21	.08	...	Yellorex	15,500	.10½	.10	.08	.09
2.60	1.65	.06	Y'ke Bear	23,410	1.85	1.85	1.65	1.67
.14	.05	...	Yukeno	6,978	.08½	.08	.05	.06½
.72	.53	*.06	Yukon Con.	3,300	.55	.55	.53	.53
.70	.17	...	Zenmac	169,150	.22	.25	.17	.19
.60	.36	...	Zulapa	2,500	.42	.40	.38	.40

Oil Stocks

Range 1956 High	Low	Div. Rate $	Company	Sales	Last Nov. 16	Week Ending November 23 High	Low	Close
.32	.17	*.01	Acme G&O.	10,000	.19	.18	.17½	.18
1.07	.62	...	Ajax	1,000	.76	.68	.65	.65
.08	.02½	...	Albedina	nil	...	.02½	.04½	.04
.66	.29	...	Alta. P. Con.	6,400	.42	.42	.38	.42
.06	.02½	...	Aldina	nil	...	.04½	...	.04½
.35	.22	...	Altex	5,000	.25	.29	.24	.25
.07	.03½	...	Amalta	nil	...	.04	...	.04
1.50	.64	...	Am. Leduc.	98,695	.70	.70	.64	.70
7.40	5.10	...	Amurex	100	5.65	5.10	5.10	5.10
.25	.08½	...	Anchor	19,900	.16	.17	.15	.15
16.87½	12.25	...	Anglo-Am.	960	14.37½	13.37½	13.12½	13.12½
.25½	.08	...	Apex	17,950	.10	.10	.08	.08½
20.00	8.80	...	Bailey-Sel. A	3,954	17.62½	17.50	16.87½	17.00
40.00	25.00	1.25	Do. 5% debs	605	35.00	35.00	33.62½	34.00
4.20	1.60	...	Banff	9,650	2.82	3.15	2.78	3.10
.16	.04	...	Barons	25,000	.05½	.08½	.05	.06
.67	.32	...	Basco	6,100	.39	.36	.32	.34
.18½	.09	...	Bashaw	nil	...	.13½	.17	.17
.19	.08½	...	Bata	15,600	.10½	.10	.08½	.09
.40	.15	...	Blue Crown	4,500	.18	.18	.15	.18
.68	.25	...	Bonnyville	46,890	.33	.33	.29	.30
1.45	.96	...	Bralsaman	1,800	1.07	1.00	1.00	1.00
4.30	2.31	...	Britalta	9,650	2.75	2.75	2.50	2.55
.11	.04	...	Br. Pete	15,000	.04½	.06	.05	.06
1.95	1.00	...	Cabanga	nil	...	1.12	1.48	1.10
1.60	.54	...	Calalta	14,650	1.38	1.40	1.32	1.35
33.00	19.37½	...	Calg. & Ed.	4,430	26.50	26.25	24.50	24.75
6.75	4.50	...	Calvan	100	4.65	4.90	4.90	4.90
4.00	1.90	...	Canada Oil L.	3,300	3.00	2.94	2.75	2.75
2.25	.92	...	Do. warr.	2,000	1.80	2.00	1.60	1.60
.74	.40	...	Canadian Ad.	10,600	.53	.54	.50	.50
.45	.13	...	Cdn. Ana'da	18,725	.44	.40	.33	.37
9.00	5.60	...	Cdn. Atlantic	5,927	6.25	6.30	5.60	6.10
.95	.50	...	Cdn. Br. E.	6,370	.63	.62	.59	.60
.80	.30	...	Cdn. Dec. warr.	8,700	.53	.53	.46	.48
9.35	2.90	...	Cdn. Dev.	57,030	6.70	6.75	6.00	6.10
.10½	.04	...	Cdn. Emjay	nil	...	.04½	.04½	.04½
7.50	4.50	...	Cdn. Ex. G.	1,945	5.05	4.85	4.50	4.75
.35	.16	...	Cdn. F'tune	6,250	.16	.18	.16½	.18
2.70	1.78	...	Cdn. H'stead	7,493	2.11	2.15	2.00	2.05
4.60	2.74	...	Cdn. PL&P	22,875	3.10	3.15	2.90	2.90
6.50	4.10	...	Cdn. Prosp.	nil	...	4.05	4.75	4.10
4.50	2.85	...	Cdn. Wil'ston	nil	...	2.60	2.85	2.95
2.15	.79	...	Canadusa	2,850	.96	1.00	.88	.88
1.85	1.09	...	Canso Gas	1,250	1.30	1.85	1.85	1.85
6.25	1.57	...	Canso Pet.	1,825	4.60	4.55	4.25	4.35
3.20	1.85	...	Canso Prod.	200	1.90	1.90	1.90	1.90
1.35	.65	...	Canso Warr.	1,900	.80	.75	.72	.72
.57	.30	...	Carleton	nil	...	.50	.38	.46
.25	.16	...	Castle O&G	2,000	.15	.15	.14	.14
6.00	2.35	...	Cent. Expl.	2,950	3.40	3.75	3.40	3.65
8.30	2.11	...	Cent. Leduc	41,933	6.15	6.15	5.50	6.00
.65	.20	...	Century	20,500	.29	.29	.24	.29
2.50	1.66	...	Charter	6,800	1.75	1.77	1.70	1.70
.32	.16	...	Claybar	1,000	.21	.19	.19	.19
†.85	†.50	...	Coastal	300	†.85	†.70	†.70	†.70
1.25	1.00	*.08	Command	20	†.70	†.70	†.70	†.70
1.00	.70	...	Com. Min'ls	335	.73	.75	.70	.75
4.10	3.05	*.20	Commoil	nil	...	3.00	3.25	3.25
5.50	4.00	‡.15	Common P.	900	4.15	4.35	4.15	4.15
.23	.12	...	Con. Allen.	8,020	.12	.14	.13	.14
.40	.15	...	Con. Cord.	5,500	.20	.20	.20	.20
.89	.35	...	Con. Dragon	20,057	.70	.69	.64	.65
.85	.50	...	Con. East C.	10,000	.55	.53	.50	.50
.06½	.03	...	Con. Gr. C.	nil	...	.04	.04½	.04
5.40	2.50	...	C. Mic Mac	14,695	4.75	4.75	4.35	4.50
.19½	.09½	...	Con. Peak	12,275	.10	.10	.09½	.09½
15.25	6.65	...	Con. W. Pet.	405	8.55	8.55	8.50	8.55
6.60	3.90	...	Cree Oil	5,480	4.75	4.65	4.40	4.55
.29	.17	...	Dalhousie	1,000	.18	.18	.18	.18
4.95	1.42	...	Del Rio	66,729	4.80	4.80	4.25	4.50
1.75	1.45	...	Dev. Palm.	74,543	1.71	1.75	1.54	1.68
10.00	5.50	...	Dome	620	9.40	9.25	8.75	8.95
.17	.08	...	Dom. Min'ls	6,000	.09	.08½	.08	.08
.65	.06	...	Dubar	29,700	.09	.07½	.06	.06
2.10	.26	...	East. Cdn.	12,600	.35	.33	.26	.28
.17	.08	...	Edoran	15,500	.09	.09	.08	.09
.55	.19	...	Emp. Oil	23,500	.23	.22	.19	.20
3.60	1.90	...	Fargo	2,600	2.70	2.67	2.50	2.50
3.40	.40	...	Ft. St. John	8,100	2.75	2.70	2.25	2.30
.04½	.01½	...	Freehold	nil	...	.02½	.03	.02
.65	.29	...	Futurity	2,600	.37	.34	.30	.34
.72	.10	...	Gaspe	23,200	.14	.14	.12	.13½
.11	.05	...	Gateway	1,500	.05½	.06	.05½	.06
7.00	4.70	.20	Gen. Pet.	1,128	5.95	5.95	5.50	5.95
7.00	4.65	.20	Do. A	3,625	5.60	5.80	5.40	5.40
.11	.06	...	Golden Sp.	nil	...	.06	.08	.06½
54.50	25.75	...	Gt Plains	1,650	37.00	38.00	31.50	34.50
5.85	1.12	...	Gt. Sw't Gr.	59,150	1.49	1.50	1.26	1.31
13.25	9.00	...	Gridoil	nil	...	9.50	10.37½	10.75
.05½	.03	...	Hargal	1,500	.03	.03	.03	.03
.24	.09	...	Henderson	nil	...	...	.10½	.09½
.50	.19	...	High Cr't	16,400	.30	.33	.27	.27
.58	.12	...	High Sarcee	14,525	.32½	.32½	.30	.31½
11.00	7.00	*.60	Hi-Tower	125	9.00	9.00	9.00	9.00
		+.25						
16.50	10.25♦♦	*.12½	Home A	5,327	12.62½	12.87½	12.00	12.62½
15.87½	10.12½	...	Do. B	5,024	11.87½	11.87½	11.37½	11.87½
14.00	8.35	...	Husky	1,900	12.50	13.00	12.12½	12.12½
7.20	3.40	...	Do. warr	770	6.00	6.15	5.00	5.75
2.00	.35	...	Israel Cont.	nil	...	...	...	.35
.25	.16½	...	Jump. Pound	2,500	.20	.20	.20	.20
3.10	1.82	...	Jupiter	7,700	1.94	2.00	1.82	1.85
.41	.04½	...	Kenare	8,500	.14	.12	.08	.08
.39	.17	...	Keno	3,500	.18	.19	.18	.19
2.75	.85	...	Kroy	40,200	1.05	1.10	.85	1.10
.40	.17	...	Leduc Cal.	1,500	.19	.18	.17	.18
3.65	1.92	...	Liberal	12,150	2.10	2.15	2.00	2.02
1.15	.89	...	Lloydminster	500	1.00	.89	.89	.89
.24	.10	...	Long Is. P.	13,950	.15	.15½	.12	.12½
.47	.24	...	Marigold	4,500	.28	.27	.25	.25
.08	.02	...	Marvel	nil	...	.02½	.05	.05
3.80	3.00	...	Medallion	25,448	3.70	3.75	3.30	3.30
.84	.18	...	Merland	11,700	.53	.48	.40	.46
22.50	11.75	...	Merrill Pet.	4,875	14.25	14.37½	13.87½	14.00
1.50	.66	...	Midcon	164,610	1.07	1.08	.66	.74
.45	.23	...	Mill City	15,926	.27	.26	.23	.25
3.20	.60	...	Mollusca	3,755	2.10	2.25	1.50	2.20
.36	.12	...	Monarch	11,500	.22	.23	.18½	.20
6.95	3.10	...	Nat. Pet.	2,200	3.85	4.35	4.05	4.15
2.08	1.00	...	N. Bristol	15,500	1.15	1.15	1.01	1.10
3.25	2.00	...	N. British	21,750	2.02	2.10	2.00	2.08
2.55	1.50	...	N. Chamb'n	31,070	2.37	2.41	2.30	2.40
.59	.19	...	N. Concord.	4,500	.25	.25	.19	.19
.90	.50	...	N. Cont.	87,800	.58	.59	.50	.54
.35	.16	...	N. Davies	500	.21	.21	.21	.21
2.15	1.10	...	N. Gas Expl.	7,225	1.30	1.25	1.10	1.15
.10½	.06½	...	New Ranch.	17,000	.08½	.08	.07½	.07½
.35	.10	...	N. Richfield	875	.10	.10	†.09	†.09
.26	.07½	...	N. Springer	6,500	.15	.17	.15	.16
3.00	1.99	...	N. Superior	3,267	2.25	2.15	2.10	2.15
.40	.14	...	Nordon	1,000	.16	.16	.14	.14
1.59	.60	...	North Cal.	12,850	1.05	1.02	.60	.70
7.35	4.50	...	North Can.	2,620	5.45	5.30	5.00	5.15
43.00	34.50	...	Do. 5½% pf.	206	35.00	34.75	34.50	34.50
4.00	1.75	...	Do. warr.	100	2.55	2.65	2.65	2.65
.04	.02	...	N. Cont.	2,000	.02¼	.02½	.02½	.02½
1.31	.55	...	Northland	4,500	.75	.80	.75	.75
.47	.23	...	Nucco	11,087	.26	.29	.25	.29
.25	.08	...	Oil Select	109,016	.16	.16	.13	.14
3.25	1.77	...	Okalta	19,900	2.40	2.45	2.27	2.35
20.12½	12.62½	...	Pac. Pete.	9,365	15.37½	15.62½	15.00	15.37½
...	...	...	Pan Israel	nil	...	...	...	2.65
.43	.22	...	Pan West	9,200	.25	.25	.22	.23
6.75	4.75	*.50	Parker Drill	300	5.87½	5.87½	5.50	5.50
13.00	7.85	...	Peace River	1,575	9.15	9.10	8.85	9.00
2.40	1.85	...	Permo	64,955	1.95	1.99	1.85	1.85
3.40	1.15	...	Peruvian	7,560	1.38	1.21	1.15	1.20
2.25	.90	...	Petrol O.	37,200	.93	1.05	.90	1.04
1.95	.75	...	Phillips Oil	5,450	1.47	1.45	1.30	1.40
.89	.55	...	Ponder	16,500	.60	.65	.55	.65
.62	.16	...	Pontiac	10,200	18	.22	.20	.21½
6.90	3.30	...	Prairie	2,300	4.50	4.10	3.90	3.90
2.74	1.50	...	Provo	47,800	1.65	1.70	1.50	1.62
.30	.06	...	Que. Oil Dev.	19,000	.07	.08	.06	.06½
.76½	.20	...	Quinalta	4,000	.26½	.25	.20	.25
.08	.02½	...	Realty	8,000	.03½	.04	.03	.03
.27	.08½	...	Reef Explor.	14,500	.15	.15	.12	.15
.07	.03	...	Renfrew	nil	...	...	...	.05
.25	.04	...	Ridgeway	17,500	.07½	.07	.06½	.07
1.50	1.30	...	Rocky Pet.	4,514	...	1.50	1.30	1.40
.18	.08½	...	Roxana	5,000	.08½	.09	.09	.09
.12½	.07	...	Royal Can.	3,000	.07½	.07½	.07	.07
18.25	12.50	.26	Royalite	15,038	16.25	16.50	15.87½	16.37½
31.75	25.00	1.31½	Do. 5¼% pf.	175	28.50	30.00	29.00	29.00
.15	.07	...	Sage	nil	...	.08	.09	.08
3.90	1.41	...	Sapphire	19,400	1.61	1.60	1.41	1.47
157.00	74.00	..	Do. 5% debs.	370	79.00	78.00	74.00	74.00
1.00	.73	...	Sastex	2,500	.80	.80	.75	.75
3.90	1.75	...	Scurry-Rain	11,600	3.35	3.30	3.10	3.15
5.10	2.55	...	Security	3,350	3.60	3.60	3.50	3.50
.20	.10	...	Select Oils	500	.12	.11	.11	.11
.12	.07	...	Share Oils	nil	...	.07½	.08	.08
.27½	.11½	...	Silver City	nil	...	...	.13	.13
.45	.18	...	Souris Val.	10,400	.18	.35	.25	.30
.50	.30	...	So. West Pete.	nil	...	.40	...	.40
.90	.40	...	So Union	11,390	.51	.48	.40	.40
.43	.17	...	Sparmac	2,000	.18½	.18	.17	.17
.60	.16½	...	Spooner	18,300	.30	.29	.25	.25½
.89	.55	...	Stanwell	34,500	.75	.75	.70	.72
.25	.09½	...	Sturgeon	2,500	.11	.10½	.10	.10
1.33	.54	...	Texas Cal.	100	.56	.54	.54	.54
2.70	1.60	...	Trans. Emp.	27,404	2.15	2.15	1.77	1.85
.54	.25	...	Trans-Era	61,950	.32	.30	.25	.27
.09	.04	...	Transfield	2,000	.04½	.04	.04	.04
12.00	5.50	...	Triad	15,605	8.50	8.45	7.70	7.90
.18	.05½	...	Tri-Zone	nil	...	.10	.13	.12
.35	.27	...	Turner V	500	.33	.32	.32	.32
2.98	1.65	...	Un. Oils	46,395	1.88	1.90	1.70	1.75
.40	.15	...	Vanalta	1,500	.31	.30	.30	.30
.60	.17	...	Vandoo Con.	107,540	.22½	.22	.17	.19
2.35	.82	...	Van Tor	25,350	1.28	1.27	1.15	1.15
.90	.51	...	Vulcan	1,110	.61	.60	†.40	.55
.75	.62	...	Wayne Pet.	90,000	.72	.75	.65	.75
.40	.17	...	Wespac	36,584	.24½	.24½	.17	.17
1.06	.59	...	W'burne	18,400	1.05	1.05	1.00	1.03
2.19	1.30	...	W. Decalta	8,930	1.65	1.60	1.41	1.50
.60	.20	...	Do. B warr.	5,600	.40	.40	.33	.35
8.00	5.00	...	W. L'holds	1,400	6.10	6.10	6.00	6.00
1.70	1.00	...	W. Maygill	835	1.15	1.15	1.10	1.15
1.50	.70	...	W. Naco	2,665	1.15	1.10	1.10	1.10
.37	.04½	...	Do. warr.	4,102	.05½	.05	.05	.05
.22	.08	...	W. Warner	1,250	.10	.09½	.08	.08
.68	.21	...	Wilrich	78,000	.33	.33	.21	.21
.25	.13	...	Y'ke Can.	19,500	.13½	.15	.13	.14
.13	.06	...	York Oils	4,100	.07	.07	.06	.06

■1 sh. Chib. Asb. for 10 shs. Que. Chib. ▲U. S. funds. ♦♦Initial. ‡Payable in 1955. †Less than board lot. ♦When sale shown nil the figures are bid, asked and latest sale. *Payable in 1956 to date.

Volume of Stock Sales

	Montreal	Toronto	Calgary	Vancouver	New York
Nov. 26	585,400	2,678,000	117,756	105,064	3,310,000
Nov. 23	567,000	2,522,000	115,200	82,334	2,890,000
Nov. 22	454,300	2,096,000	104,725	69,778	......
Nov. 21	555,000	2,823,000	90,251	99,458	3,300,000
Nov. 20	889,500	3,269,000	154,996	100,693	3,050,000

Advances and Declines

Week Ended	Toronto Ups	Toronto Downs	Toronto No Change	Montreal Ups	Montreal Downs	Montreal No Change
Oct. 26	126	564	161	42	235	105
Nov. 2	301	336	170	94	147	136
Nov. 9	268	363	168	138	117	134
Nov. 16	188	489	139	78	174	134
Nov. 23	88	573	147	34	243	107

New Highs and Lows

During the week ended Nov. 23 five new highs and 89 new lows were recorded among the general stocks on Canadian stock exchanges. In the mining group there were two new highs and 230 new lows. In western oils there were one new high and 39 new lows.

GENERAL

NEW HIGHS — 1956

Int. Pete; Mackin. Steel; Pembina Pipe; Trans Mt. Oil; Universal N.

NEW LOWS — 1956

Abitibi; Acadia Atl. 5% pf.; Andian Nat.; Ang. Cdn. Pulp; Ang. Newfoundland; Argus 4½% pref.; Asbestos; Atlas Steels rts.; B.C. Forest; Brown Co.; Building Prod.; Calgary Pwr. 5% pf.; Cdn. Breweries; Cdn. Canners A; Cdn. Celanese; Do. $1.00 pref.; Cdn. Chem.; Cdn. Collieries pref.; Cdn. Dredge; Cdn. Gen. Elec.; Cdn. Pacific; Cdn. Vickers; Capital Estates; Conf. Life; Cons. Smelt.; Consumers Gas; Corbys Vot.; Do. Non-vot B; Crown Zell. (Can.); Crown Zell. Corp.; Distill.-Seag.; Dom. Ang. Inv. pfd.; Dom. Bridge; Dom. Engineer; Dom. Oilcloth; Dom. Tar & Ch.; Donohue Bros.; Fanny Farm.; Ford Can. A; Do. B; Foundation Co.; Goodyear Pref.; Gt. Lakes Pap.; Gt. North Gas; Do. warr.

Gypsum Lime; Holden Mfg. A; Imperial Bank; Imperial Oil rts.; Ind. Acc. 4½% $2.25 p; Inter Nickel pref.; Int. Paper; Interp. Util.; Labatt, John; Laura Secord; MacMil. & Blo. B; Maple Leaf M pref.; Massey-Harris; Mersey 5½% pfd.; Midwest Indust.; Milton Brick; Minn. & Ont. Pap.; Morgan, H; Do 4½ pf.; Mt. Royal Dairy; Nat. Steel Car; Neon Prod. of W.C.; North Star Oil; Do. warr.; Do. $2.50 cr. p.; North Que. Pwr. pf.; Ogilvie Flour; Premier Steel; President Elec.; P.R.M. Inc. debs.; Price Bros.; Reynolds-Alum.; Ridgeway; Roe, A. V. Can.; St. Law. Cem.; Sher. Wms. pref.; So. Can. Pr.; Std. Paving; Sup. Propane; Sup. Pete ord.; Traders Bldg.; Traders Fin. A; Viceroy A; Walker-Good.

MINING

NEW HIGHS — 1956

Barvallee; Cons. Monpas

NEW LOWS — 1956

Ameranium; Akaitcho; Alba; Anacon; Anglo-Rouyn; Area; Arjon; Ascot; Atlas Sulphur; Atlas Yellowknife; Atlin Ruffner; Aunor; Avillabona; Baker Talc; Bankeno; Bankfield; Barnat; Barvue; Base Metals; Baska; Bateman; Beaver Lodge; Belle-Chib.; Bevcon; Bibis-Yukon; Bidcop; Bordulac; Bouscadillac; Bouzan; Bralorne; Brilund; Broulan; Brunsman; Brunston; Brunswick; Buffalo Red Lake; Bulolo; Burchell; Cdn. Astoria; Cdn. Lithium; Cdn. Thorium; Capital Lith.; Cassiar; Castle Treth.; Central Porc.; Cheskirk; Chesterville; Chib.-Explor; Chib.-Kayrand; Chimo; Chipman; Cobalt; Coin Lake; Colomac; Coniaurum; Conro; Cons. Callinan; Cons. Fenimore; Cons. Gillies; Cons. Gold Arr.; Cons. Howey; Cons. Marbenor; Cons. Mosher; Cons. Que. Yell.; Cons. Red Pop.; Cons. Smelters; Cons. Sudbury; Cons. Tungsten; Copper Corp.; Copper-Rand; Coulee; Cusco; Daering; Daine; D'Aragon; Decoursey warr.; D'Eldona; Desmont

Diadem; Detta; Dome; Donalda; Dyno; East Malartic; East Sullivan; Eastern Asb.; East. Met.; East. Min.; Eureka; Explor. All.; Fab. Met.; Farwest; Frobisher; Geco; Genex; Geo.-Scient.; Giant Mascot; Golden Age; Golden Manitou; Grandines; Gulf Lead; Gwillim; Haitian; Headway; Hoyle; Inspiration; Int. Nickle; Int. Ranwick; Iron Bay; Irish Copper; Joliet; Jonsmith; R. J. Jowsey; K. Addison; Keymet; Kilembe; Do. warr.; Kirk. Min.; Kirk. Town; L. Dufault; Lake Shore; Lexindin; Macassa; Macleod; Mad. R. L.; Magnet; Marcon; Maritimes; Maybrun; Mentor Exp.; Merrill Is.; Mindamar; Mining Corp.; Min.-Ore; Mogador; Mogul; Moneta; Nat. Ex.; Nesbitt L.; N. Athona; N. Delhi; N. Dick'n.; N. Goldvue; N. Har'na.; N. H'ridge; N. Hosco; N. Jason; N. Kelore; Newlund; Newnorth; N. Pac. Coal; N. Senator; Normetal; Norvalie; Nudlama; Obalski

Obaska; Oka; Opemisca; Osisko; Pamour P.; Pardee; Paymaster; Pennbec; Perron Gold; Pickle Crow; Pioneer G.; Pitch-Ore; Placer Dev.; Powell ouyn; Prospectors; Purdex; Que. Chib.; Que. Cop.; Que. Lith.; Que. Man.; Que. Met.; Queenston; Quemont; Rainville; Rare Earth; Red Crest; Renabie; Rio-Pupununi; Rix-A'basca; Rockwin; Rowan Cons.; Ryanor; San Antonio; Sheep Creek; Sherritt G.; Silver M.

Silver Stand.; Slocan Van Rio; Soma Duv.; South Dufault; Stad'n '44; Stanleigh Uran.; Steeloy; Sturgeon; Sullivan C.; Sylvanite; Tandem; T. Hughes; Thompson; Tombill; Torbrit S.; Towagmac; Trans. Can. Ex.; Trans. Res.; Trojan; United Asb.; Un-Estella; Upper Can.; Ventures; Vico; Violamac; Waite Am.; Weedon Pry.; Werner Lk.; Winchester; Wright-Har.; Yellorex; Y'ke Bear; Yukeno; Yukon; Zenmac

OILS

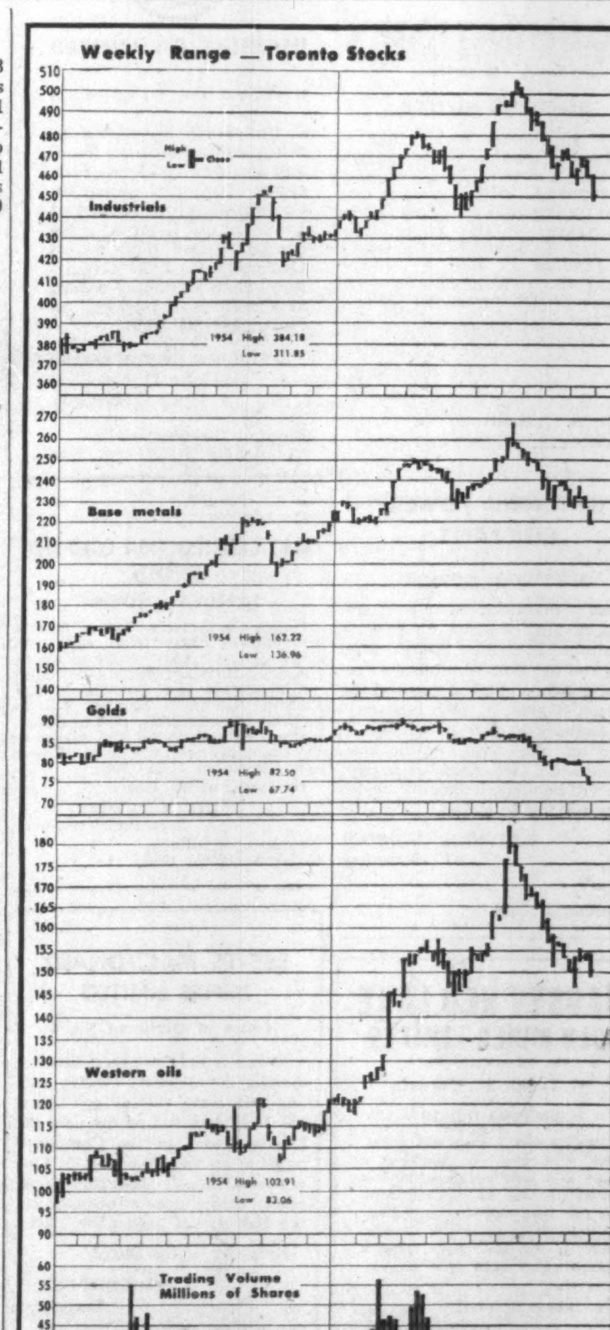
NEW HIGHS — 1956

Wayne Pet.

NEW LOWS — 1956

Amer. Leduc; Amures; Apex; Basco; Bata; Cdn. Atlantic; Cdn. Ex. G.; Cons East C.; Cons. Peak; Dom. Minerals; Dubar; East. Cdn.; Edoran; Emp. Oil; Jupiter; Kroy; Lloydminster; Midcon; N. Concord; N. Cont.

N. Gas Expl.; Nordon; Northcal; North Can 5½% pd.; Pan. West; Permo; Peruvian; Petrol O.; Ponder; Provo; Quinalta; Sapphire; So. Union; Sparmac; Texas Cal.; Trans-Era; Vandoo Cons.; Wespac; Wilrich



INDUSTRIALIZED

Since prewar the number of Canadians employed in manufacturing has more than doubled and manufacturing now directly supports nearly a third of the population.

Company Reports

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

Paints

SHERWIN-WILLIAMS CO. OF CANADA, Montreal, consolidated net profit for the year ended Aug. 31, 1956 was 9.7% higher at $1,149,385 ($1,047,481 in previous year).

Sales volume reached a record level. However, higher regular selling and operating expenses, together with several non-recurrent costs produced a net profit only slightly higher than in previous year, reports Chairman A. W. Steudel.

Nationwide distribution of company products is steadily growing. The progress of the research and product development departments is aiding sales efforts, it is reported.

Company sold its l'Epee Avenue property in Montreal to achieve greater economy and efficiency.

Company reduced the stated value of outstanding common shares to $224,720 ($4,494,400 before), pursuant to Supplementary Letters Patent dated April 3, 1956. Formulae, trade marks and goodwill have been reduced to $1 ($5,536,539) through application of reduction of common stock and a charge of $1,266,858 to earned surplus.

CONS. INCOME ACCOUNT

Years Ended Aug. 31:	1956	1955
Net income	$2,629,234	$2,527,152
Less: Deprec.	369,221	373,388
Bank int.	311,628	281,283
Inc. tax res.	799,000	825,000
Net profit	*1,149,385	1,047,481
Less: Pref. divds.	242,200	242,200
Common divds.	460,676	438,204
Surplus for year	446,509	367,077
Earnings per Share and Dividend Record:		
Preferred	*$33.22	$30.27
Paid	7.00	7.00
Ordinary	‡4.04	3.58
Paid	1.80+0.25	1.70+0.25

*Net profit includes $213,633 prof. on sale of f.a. amounting to $6.18 per pf. sh. and $0.95 per com. sh.

CONDENSED CONS. BALANCE SHEET

As at Aug. 31:	1956	1955
Cash	$34,675	$24,725
Accts., etc., rec. less res.	7,094,567	6,892,089
Inventories	9,407,691	9,362,314
Total curr. assets	16,536,933	16,279,128
Prep. exp.§	124,186	206,835
Inv. & adv. subs.	298,758	300,758
Misc. assets	96,699	98,421
Goodwill & intangibles	■1	5,536,539
Fixed assets†	3,251,643	3,233,613
Total assets	20,308,220	25,655,294
Bank advances	1,524,571	2,530,728
Accts., tax., etc., pay.	5,360,910	4,611,798
Total curr. liab.	6,885,481	7,142,526
Reserves	20,000	20,000
Capital stock	■3,684,720	7,954,400
Surplus	■9,718,019	10,538,368
†After depr. of	6,110,410	6,293,591
Working capital	9,651,452	9,136,602

§Incl. in curr. assets in co.'s report.

■Goodwill, etc., written down in 1956 in part by reduction of book value of capital stock and balance against earned surplus.

Distillers

MELCHERS DISTILLERIES LTD., Montreal, net profit for the eight months ended Aug. 31, 1956, was $121,222, compared with net profit of $97,218 for the 12 months ended Dec. 31, 1955. Company changed fiscal year end from Dec. 31 to Aug. 31.

INCOME ACCOUNT

	8 Mos. ended Aug. 31 1956	Year ended Dec. 31 1955
Net earnings	$289,046	$252,187
Less: Deprec.	44,824	71,969
Income tax	123,000	83,000
Net profit	121,222	97,218
Less: Pref. divds.*	87,500	87,500
Surplus for year	33,722	9,718

*Incl. $12,500 noncum. divd. payt. in respect of the previous year.

Earnings per Share and Dividend Record:

	1956	1955
Before partic.:		
Preferred	$0.97	$0.78
Paid	0.60+†0.10	0.60+†0.10
On partic. basis:		
Preferred	1.03	*
Common	0.05	*
None paid.		

†Noncum. divd. in respect of the previous year.

*No earnings available for participation.

CONDENSED BALANCE SHEET

As at:	Aug. 31 1956	Dec. 31 1955
Cash	$72,577	$19,790
Accts. rec., less res.	393,903	311,075
Inventories	2,071,225	2,056,492
Life ins., c.s.v.	7,789	6,957
Total curr. assets	2,545,584	2,394,314
Misc. assets	57,484	24,208
Fixed assets*	911,014	933,121
Total assets	3,514,082	3,351,643
Bank loan	300,000	300,000
Accts., tax., etc., pay.	544,496	415,779
Total curr. liab.	844,496	715,779
Cont. reserve	40,000	40,000
Capital stock	1,500,000	1,500,000
Surplus‡	1,129,586	1,095,864
*After depr. of	1,309,676	1,264,852
Working capital	1,701,088	1,678,535

‡Of which $434,483 in 1955 and $468,205 in 1956 may be applied to distrib. to pref. sh'hldrs. as addit. noncum. divd. up to 3% and of which $581,520 in 1953-55 may be distribt. as participating divds. to pref. and common holders.

Foreign Exchange Rates

Noon Value in Canada

Week Ended November 23, 1956

	U. S. $	U. K. £
Mon.	96 11/32	2.68
Tues.	96 12/32	2.68 2/16
Wed.	96 12/32	2.68 1/16
Thurs.	96 10/32	2.67 14/16
Fri.	96 8/32	2.67 9/16
Ave.	96 53/160	2.67 74/80

U. S. rate reported by **Bank of Canada.**

U. K. bid rate reported by **Toronto-Dominion Bank.**

Stock Redemptions

Company	Rate	Date	Price
*Int. Nickel Co. of Can. pfd. shs.	7%	Feb. 1	$120.00 & $6.00

*—All outstanding.

J. E. GRASETT & CO.
MEMBERS THE TORONTO STOCK EXCHANGE
EMpire 8-4781
244 Bay Street — — Toronto
2881 Dundas St. W. — RO. 9-1167
(at Mavety Street)

KIPPEN & COMPANY INC.
ESTABLISHED 1922
Members
THE INVESTMENT DEALERS' ASSOCIATION OF CANADA
Stock Orders executed on all exchanges
Markets maintained in all unlisted Industrial and Mining securities
MONTREAL
607 St. James St. W. Telephone UN 6-2468

J. BRADLEY STREIT & COMPANY
LIMITED
MEMBERS:
The Toronto Stock Exchange
Canadian Stock Exchange
Calgary Stock Exchange
Edmonton Stock Exchange
Winnipeg Grain Exchange
80 Richmond St. W. EMpire 8-4831
TORONTO, ONTARIO

Norris, Adams Limited
Members
The Toronto Stock Exchange
The Montreal Stock Exchange
The Canadian Stock Exchange
PRESIDENT Bruce A. Norris
VICEPRESIDENT George D. Adams
200 BAY STREET TORONTO, CANADA
Telephone: Empire 8-4731
Branch Office: 75 BROCK ST. — KINGSTON, ONTARIO

DIVIDEND NOTICES

THE TORONTO-DOMINION BANK

Notice of Annual General Meeting

The Annual General Meeting of the Shareholders of this Bank will be held at the Head Office of the Bank, King and Bay Streets, Toronto, on Wednesday, the 12th day of December, 1956, at 11.00 a.m.

By Order of the Board,
A. T. LAMBERT,
General Manager.

Toronto, 4th October, 1956

WESTEEL PRODUCTS LIMITED

DIVIDEND NO. 47

Notice is hereby given that a quarterly Dividend of thirty cents per Share has been declared on the outstanding Capital Stock of the Company, to be payable in Canadian Funds on the 15th day of December, 1956, to Shareholders of record at the close of business on November 30th, 1956.

By Order of the Board.
A. W. MORRISON,
Treasurer.

Toronto, November 20, 1956.

NATIONAL STEEL CAR CORPORATION

NOTICE OF DIVIDEND

Notice is hereby given that a dividend of thirty-seven and one half cents (37½c) per share has been declared for the quarter ending December 31, 1956, payable on January 15, 1957, to shareholders of record at the close of business December 15, 1956.

By Order of the Board.
J. PLUMPTON,
Secretary.

ROBINSON, LITTLE & COMPANY LIMITED

WINNIPEG — MANITOBA

DIVIDEND ON COMMON

NOTICE IS HEREBY GIVEN that a dividend of Twenty (20) cents a share has been declared on the Common Stock of the Company payable on the 31st day of December, 1956, to shareholders of record at the close of business on the 15th day of December, 1956.

By Order of the Board,
JACK L. MACDONALD,
Secretary

Winnipeg, Manitoba,
20th November, 1956.

The Sherwin-Williams Company of Canada, Limited

Notice is hereby given that the one hundred and eighty-second quarterly dividend of one and three-quarters per cent. (1¾%), being at the rate of seven per cent. (7%) per annum, for the quarter ending November 30th, 1956, on the Preference Shares of the Company, has been declared payable January 2nd, 1957, to shareholders of record the 10th day of December, 1956.

By Order of the Board,
P. W. HOLLINGWORTH,
Secretary-Treasurer

Montreal, Quebec.
November 8th, 1956.

Public Service Electric and Gas Company

NEWARK, N. J.

QUARTERLY DIVIDENDS

The Board of Directors has declared the following dividends for the quarter ending December 31, 1956:

Class of Stock	Dividend Per Share
4.08% Cumulative Preferred	$1.02
4.18% Cumulative Preferred	1.045
4.30% Cumulative Preferred	1.075
$1.40 Dividend Preference	.35
Common	.45

All dividends are payable on or before December 20, 1956 to stockholders of record November 30, 1956.

F. MILTON LUDLOW
Secretary

PUBLIC SERVICE
CROSSROADS OF THE EAST

BRITISH COLUMBIA ELECTRIC COMPANY LIMITED

NOTICE is hereby given that the Board of Directors has declared the dividends listed below on the Company's CUMULATIVE REDEEMABLE PREFERRED SHARES for the quarter ending 31 December 1956 payable on 2 January 1957 to shareholders of record at the close of business on 7 December 1956. In respect of shares represented by any share warrant, the said dividends will be payable on or after 2 January 1957 at any branch of The Royal Bank of Canada in Canada on presentation of the respective dividend coupons listed below: —

Series	Coupon No.	Dividend per Share
4%	30	$1.00
4¼%	6	$0.53⅛
4½%	9	$0.57
4¾%	33	$1.18
5%	17	$0.63
5% - Issue of 1956	1	$0.38*

*For the period starting on 7 November 1956.

The transfer books will not be closed.

By Order of the Board,
G. G. WOODWARD,
Secretary.

Vancouver, B.C.
25 October 1956.

DIVIDEND NOTICES

Johns-Manville Corporation

DIVIDEND

The Board of Directors declared a quarterly dividend of 50c per share on the Common Stock, and, in addition thereto, a year-end dividend of 25c on the Common Stock, both payable December 14, 1956 to holders of record December 3, 1956.

ROGER HACKNEY, Treasurer

United Steel Corporation LIMITED

42nd DIVIDEND

Notice is hereby given that a quarterly Common Stock dividend of twenty-five (25) cents per share has been declared, payable December 28th, 1956, to shareholders of record, December 7th, 1956.

By Order of the Board.
SALTER A. HAYDEN
November 21st, 1956 Secretary

UNITED STEEL
CORPORATION LIMITED

DISTILLERS CORPORATION-SEAGRAMS LIMITED

DIVIDEND NOTICE

Notice is hereby given that a dividend of Thirty Cents (30¢) per share in Canadian currency and an extra dividend of Fifty Cents (50¢) per share in Canadian currency on the outstanding Common Shares of the Company have been declared payable December 14, 1956, to shareholders of record at close of business November 24, 1956.

By order of the Board.
H. C. COX,
Secretary.

Montreal,
November 15, 1956.

INDUSTRIAL ACCEPTANCE CORPORATION LIMITED

DIVIDEND NOTICE

Notice is hereby given that the following dividends have been declared for the quarter ending December 31st, 1956, payable December 27th, 1956, to shareholders of record December 3rd, 1956.

$ .56¼ per share on the $50 par value 4½% Cumulative Redeemable Preferred Stock.

$1.12½ per share on the $100 par value 4½% Cumulative Redeemable Preferred Stock.

$ .35 per share on the no par value Common Stock.

By order of the Board.
K. J. DOIG, F.C.I.S.,
Secretary-Treasurer.

Montreal, Quebec,
November 23, 1956.
Montreal, Nov. 26th, 1956.

THE BOWATER CORPORATION OF NORTH AMERICA LIMITED

DIVIDEND NOTICE

NOTICE IS HEREBY GIVEN that a dividend of 1.25 per cent, Sixty-two and one half cents (62½c) per share has been declared on the 5% Cumulative Redeemable Preferred Shares of $50 par value of the Corporation, payable on 2nd January 1957 to shareholders of record 7th December 1956.

S. MANN
Controller.

Montreal, Quebec.
November 15th, 1956

CANADIAN CELANESE LIMITED

MONTREAL, QUE.

The Board of Directors has this day taken the following action with respect to Dividends:

Preferred Shares, $1.75 Series

Forty-three and three-quarter cents (43¾¢) per share, which shall be deemed to be for the three months period from October 1, 1956 to December 31, 1956, has been declared payable December 31, 1956 to the holders of record at the close of business on November 30, 1956.

Preferred Shares, $1.00 Series

Twenty-five cents (25¢) per share, which shall be deemed to be for the three months period from October 1, 1956 to December 31, 1956, has been declared payable December 31, 1956 to the holders of record at the close of business on November 30, 1956.

Common Stock

Fifteen cents (15¢) per share, in respect of the fourth quarter of 1956; and, in addition, an extra dividend of fifteen cents (15¢) per share, have been declared payable December 31, 1956 to the holders of record at the close of business on November 30, 1956.

A. G. ALLAN,
Secretary.

November 21, 1956.

DIVIDEND NOTICES

THE ONTARIO LOAN AND DEBENTURE COMPANY

278th DIVIDEND

Notice is hereby given that a Quarterly Dividend of 25c per share on the present paid-up Capital Stock of this Company for the three months ending 31st December 1956 has been declared and the same will be paid on or after 2nd January 1957 to Shareholders of record at the close of business on the 14th December, 1956.

By Order of the Board.
F. E. A. McKELLAR,
Manager.

London, Ontario,
November 20th, 1956.

THE MANUFACTURERS LIFE INSURANCE COMPANY

DIVIDEND NOTICE

Notice is hereby given that a dividend of One Dollar and Ten Cents ($1.10) per share has been declared upon the paid-up capital stock of the Company for the half year ending December 31st, 1956, payable January 2nd, 1957, to shareholders of record at the close of business on December 7th, 1956.

By Order of the Board.
R. E. DOWSETT,
Secretary.

Toronto, Ont.
November 22nd, 1956.

CANADA PERMANENT MORTGAGE CORPORATION

Notice is hereby given that a Dividend of Seventy-five Cents per share on the paid-up Capital Stock of the Corporation for the current quarter, and an extra Dividend of Ten Cents per share have been declared, and that both Dividends will be payable Wednesday, the Second day of January next, to Shareholders of record at the close of business on the Fourteenth day of December, 1956.

By Order of the Board.
GEO. D. LAVEROCK,
Secretary.

Toronto, November 14th, 1956.

FOUNDATION COMPANIES CANADA

Engineering — Construction

DIVIDEND NOTICE

Notice is hereby given that a Dividend of twenty cents ($0.20) per share for the quarter ending December 31, 1956, has been declared on the No Par Value Common Shares of the Foundation Company of Canada Limited, payable January 18, 1957, to Shareholders of record at the close of business on December 28, 1956.

By Order of the Board,
H. C. LINK,
Vice-President
and Sec.-Treasurer.

Montreal, Quebec
November 21, 1956.

GATINEAU POWER COMPANY

DIVIDEND NOTICE

Quarterly dividends have been declared of $1.25 a share on the 5% Cumulative Preferred Shares, $1.38 a share on the 5½% Cumulative Preferred Shares and 35c a share on the Common Shares, in each case payable January 1, 1957 to holders of record at the close of business November 30, 1956. Cheques in payment will be mailed. Stock Transfer Books will not be closed.

ANDRE E. GADBOIS,
Secretary.

Hull, P.Q.
November 21, 1956.

MADSEN RED LAKE GOLD MINES LIMITED

(No Personal Liability)

67 Yonge St., Toronto

DIVIDEND NO. 29

NOTICE is hereby given that a dividend of 5 cents per share plus a bonus of 5 cents per share has been declared by the Director of Madsen Red Lake Gold Mines Limited (No Personal Liability), payable in Canadian Funds on December 21st, 1956, to shareholders of record as of November 30th, 1956.

By Order of the Board,
M. MASTERSON,
Secretary-Treasurer.

Toronto, November 22nd, 1956.

114 Stocks Yield Averages 5.06%

The average yield on 114 dividend-paying stocks on the Toronto Stock Exchange, as compiled by **Moss, Lawson & Co.**, on prices of November 26, was 5.06%, up .13 from the previous week. The current yield compares with 4.84% one month ago and 4.44% in the corresponding week last year.

Here is the yield by the various groups:

	Nov. 26 %	Week Ago %	Month Ago %	Year Ago %
Common	4.55	4.40	4.32	4.09
Pfd. & A	5.02	5.04	5.07	4.18
Mining	6.77	6.55	6.33	5.62
Banks	3.32	3.24	3.18	3.26

DIVIDEND NOTICES

FITTINGS LIMITED

DIVIDEND NOTICE

Notice is hereby given that a semi-annual dividend of thirty cents (30c) per share has been declared on the outstanding Convertible Class "A" Shares, No Par Value, of the Company, payable January 1, 1957, to shareholders of record at the close of business on December 7, 1956.

By order of the Board.
D. D. STORIE,
Vice-president and
Secretary-treasurer.

Oshawa, Ontario.
November 22, 1956.

CHARTERED TRUST COMPANY

DIVIDEND NO. 152

NOTICE IS HEREBY GIVEN that a dividend of 35c per share has been declared on the paid-up Capital stock of the Company for the Quarter ending December 31st, 1956, payable January 2nd, 1957 to shareholders of record at the close of business December 14th, 1956.

By Order of the Board.
H. G. SOWARD, F.C.I.S.
Secretary.

Dated at Toronto
November 20th, 1956.

IMPERIAL OIL LIMITED

NOTICE OF DIVIDEND

A quarterly dividend of thirty cents (30¢) per share and an extra dividend of ten cents (10¢) per share on the outstanding shares of Imperial Oil Limited have been declared payable on December 28, 1956 to registered shareholders of record at the close of business on November 30, 1956.

BY ORDER OF THE BOARD
Colin D. Crichton
General Secretary

Dated at Toronto, Ontario this 23rd day of November, 1956

BIRD CONSTRUCTION COMPANY LIMITED

DIVIDEND NOTICE

Notice is hereby given that a dividend of Sixty (60c) cents per share as previously declared and a Dividend Bonus of Forty (40c) cents per share on the Company's outstanding Common Shares, will be paid on December 31, 1956 to Shareholders of record on the books of the Company as at the close of business December 15th, 1956.

By Order of the Board.
JOHN LAWRIE,
Secretary-Treasurer.

Winnipeg, Manitoba,
November 26th, 1956.

REEVES MACDONALD MINES LIMITED

Notice of Dividend No. 4

Notice is hereby given that an interim Dividend of Twelve and one-half cents (12½c) per share has been declared on the paid-up Capital Stock of the Company, payable on the 22nd day of December 1956, to shareholders of record at the close of business on the 28th day of November, 1956.

By order of the Board.
J. WHITEHOUSE,
Secretary.

Vancouver, B.C.,
November 16th, 1956.

NOTICES

ANNUAL MEETING NOTICE

THE CANADIAN BANK OF COMMERCE

The annual meeting of the shareholders of this Bank, for the election of Directors and for other business, will be held at its Head Office, 25 King Street West, Toronto, on Tuesday, the 11th day of December next.

A by-law to increase the authorized capital stock of the Bank from Fifty Million Dollars ($50,000,000) to One Hundred Million Dollars ($100,000,000) will be submitted to the shareholders for consideration and, if thought fit, enactment.

The chair will be taken at eleven o'clock a.m., Eastern Standard time.

By order of the Board,
N. J. McKINNON
General Manager

Toronto, 28th September, 1956.

Market Bid and Ask Quotations

Montreal & Toronto Nov. 27, 1956

Stock	Bid	Ask
xAbbican	46	47
Abitibi	31½	32
Do pr	22¾	22¾
Acad-Atl	8½	9
Do A	20½	21½
Do pr	90	96
xAcad Ur	12½	13
xAcme Ga	17½	20
Admiral	12½	13
xAdvocate	..	425
Agnew-S	7	7½
Do pr	9	9
xAjax	68	70
xAkaitcho	36	37
xAlba Ex	9½	11½
xAlta Dis	150	160
Do vt	130	145
xAP Cons	39	42
Algom	14	14½
Do deb	87	89
xDo wt	675	700
Algoma	104	106
Aluminiu	108½	109½
Do 1 pr	22½	23
Do 2 pr	45½	45½
xAm-Lard	15½	17
xAm Ledu	62	65
xAm Nep	165	170
xAmure	480	520
xAnacon	156	170
xAnchor	13	14
Ang-A Ex	12¾	..
A C Pulp p	..	50¾
Ang-C Te	..	43
Ang Hur	11¾	12½
xA Rouyn	53	55
Anthes I	24½	24¾
xApex Res	6	8
xArcadia	165	167
xArcan	30	40
xArea	30½	34
Argus	16¼	17
Do 2.40p	46	46½
Do 2.50p	42	43
xArjon	12	13
Aro Equip	..	20
xAscot	9	10
Ashdo A	..	12
Do B	..	12½
xAsh Te	325	350
Do A	95	96
Do B	8½	9
Atlan Acc	5	6
Do pr	14	16
Atlas St	24½	25
xAtlas rts	90	97
xAtlas Yk	8	9
xAtlin-Ru	12½	13
xAubelle	8½	9
xAumacho	30	31
xAumaque	11	11½
xAunor	..	191
Auto Elec	10½	14
Do A	10½	..
xAut F A	455	475
Do B	80	130
xAvillabona	7½	8
Bailey S A	17½	17½
Do pr	34	34¾
xBanff	315	320
xBankeno	..	23
xBankfield	8	8½
Bk Mont	49½	50
Bank NS	55½	55¾
Barb-Ellis	42	..
xBarcelon	350	550
xBarnat	40	41
xBarvue	52	60
xBarymin	255	258
xB Metals	59	60
xBaska	15½	16½
xBata	9½	10
Ba Innes	8½	9
Bath Po A	56	57½
Do B	37	38
xB-Duq	141	148
Beatty	..	6¾
xBeaucag	190	195
xBeav Lod	23	25
Beav Lbr	18	18
Do A	..	20
Do pr	..	32½
xBelcher	165	169
Bell Phon	45	45½
xBelleterr	196	222
xBethlehe	182	184
xBevcon	20	25
xBibis	6½	7½
xBicroft	240	245
Do wts	110	115
xBidcop	38	41
Biltmore	7	7
Do pr	12½	12¾
xBl Bay	62	65
Blue Rib	11½	15
Do pr	36¾	40
xBonville	8	9
xBordulac	8	10
xBouscad	10	12
xBouzan	71	74
Bowater p	44	45
Bowes	18	20
xBoymar	7½	8
xBralorne	..	410
xBralsama	97	100
Br Cord A	17¾	17¾
Do B	9½	10¾
Brazil	7	7½
Do pr	90	115
Br Tank p	46	47½
xDo wt	320	..
Bright	14	15¾
Do pr	18½	20
xBrilund	51	52
xBritalta	225	230
BA Oil	45½	45¾
BCE 4%p	83	85
Do 4¼%p	41¾	42½
Do 4½%p	43½	47
Do 4¾%p	90¾	91½
Do 5%pr	46	47½
BC Forest	11¾	12¾
BC Pac A	13¾	14½
Do B	13¾	14½
BC Pow	40½	41
BC Phone	44	45
xBr Reef	94	96
Bruck A	7½	8
xDo B	300	350
xBrunhur	7	7½
xBrunsman	8	8½
xBrunston	9½	10½
Brunswick	7½	8
xBuffadiso	8	9
xBuff Ank	65	75
xBuff Cd	12½	13
xBuff RL	6	7
Build Pro	29½	30
Bullochs A	..	7¾
Do B	400	525
xBunk Hill	9	10
xBurchell	22	24
Burlington	26	27½
Burns	10½	11½
Burrard A	7½	8
xCalalt P	130	132
Caldwell	17½	..
Do 1 pr	23½	23½
Do 2 pr	17½	..
Cal Ed	23¾	24
Cal Pow	57	58
Do 5%pr	..	100
xCalva C	460	480
Camp Chi	13¾	14
xCam RL	500	545
xC Bread	300	350
Do B	51	55
Can Cem	28	29
Do pr	26½	27
CCC Ston	5½	5¾
C Foils	10½	12
Do A	13	14
C Fndry C	..	13¾
CI Fndry	32	32½
Do 4½	..	100
Can Life	146	149
C Machin	10	10½
C Malt	48	51
Do pr	23	23½
xC Oil Ld	260	270
Do wts	150	170
C Pack A	36¾	..
Do B	35½	37
C Perm	84¾	85
C Saf 4%p	93	95
xCS Oil w	55	80
xCS Pete	440	460
CSL	26½	29
Do pr	11	11½
C Wire A	205	..
Do B ne	17½	17¾
xC Ad Oil	42	45
xC Astoria	18½	20
xC Atl Oi	560	575
Cdn Baks	5	5½
C Bk Com	50¾	51
Cdn Brew	24	24½
Do pr	24½	24½
xC Br Em	50	53
C Can A	14	14½
Cdn Celan	12½	13
Do $1 pr	16½	16¾
Do 1.75 p	28	28½
C Chem C	6¾	7
C Collieries	6½	6¾
xC Coll pr	78	79
C Conv	360	425
Do B	400	..
xC Deca w	47	50
xC Dev P	610	620
C Dr Ste p	10½	11½
C Dredge	17½	18
xC Ex Ga	450	485
C Fairbks	23	25
Do pr	125	..
xCF Prod	325	330
Do A	8	8½
Do pr	46	48
CGE	..	755
CG Sec A	21	22
Do B	..	25
xC Homst	200	202
C Hyd Car	8½	8¾
C Ice Mac	5½	6¾
Do A	11½	12
Cdn Loco	27	32
xC Malart	32	35
Cdn Oil	24	24½
Do pr	..	155
Do 5%	98½	100
Do 4%	..	91
Do w 53	9½	10
Do w 55	475	500
CPR	29¾	30
C Petro p	24½	24½
xC PL Pe	285	290
xC Prosp	410	425
Cdn Salt	21	..
Cdn Tire	109	119
Do pr	20½	..
C Util pr	95	95½
Do 4½%p	..	82
C Vickers	27½	28
C Wall A	14	15
Do B	13	14½
CWN Ga p	16	16½
xC Thorum	8	8½
xC Willist	260	285
xCanadusa	80	94
xCanam	56	58
xC-Erin	62	65
xC-Met	167	170
xDo w	90	95
xCanso N	120	135
xCanso O	188	195
xCariboo	..	50
xCassiar	690	725
xCastle	360	375
C Can Inv	30	..
Do pr	100½	..
xCent Ex	365	370
xC Leduc	565	570
xC Pat	102	108
xC Porc	12½	13
xChart O	166	170
Chart Tr	50	55
Chatco pr	450	485
Chat-Gal	14	14½
xChem R	395	400
Cheskirk	7½	9
xChesterv	24	28
xChib Ja	278	280
xChib-Ka	35	38
xChib M	240	250
xChib Ex	58	65
xChimo	75	78
xChromiu	250	289
Chrysler	64½	65½
xCirc Bar	300	300
Do A	475	500
xCobalt	41	44
xCoch Wi	75	85
Coch-D	16½	16½
Do A	14½	17
Cockshutt	7½	7¾
xCody-Re	58	60
Coghli C L	15½	16
xCoin Lk	9½	11½
xColdstr	153	155
Collwood	11½	..
Do pr	11½	..
xColomac	8	9
Comb En	..	9¾
xCommoil	300	300
xCom Pet	415	425
Conduits	10½	11
Conf Life	126	130
xConiagas	210	218
xConiauru	36	..
xConro	14	16
xC Allenb	10	13½
Con Baks	6¾	7½
xC Belleke	22	24
xC Beta G	18	20
xC Callina	16	16
xC C Cad	10	13
xC Cordas	16	20
xC Denis	965	985
Do wts	360	370
xC Discov	298	299
xC Dragon	66	69
xC E Crest	44	52
xC Fenim	110	115
Do B w	30	40
Con Fire	7	10
C Foods	16	..
xC Gillies	9	9½
xCG Arro	15	18
xC Guaya	..	25
xC Halli	148	149
xC Howe	340	350
xC Marben	25	31
xC Marcus	25	28
xC Mic M	440	460
Con M&S	26	26½
xC Morriso	18	19
xC Mosher	46	50
xC Negus	16	18
xC Nichol	10	11
xC Northl	71	75
xC Peak	9	10
xC Persh	20	22
xC PresA	230	250
xDo B	100	175
xC Que	52	55
xC Red P	20	22
xC Regcou	73	74
xC Sannor	8½	9
xC Sud	282	284
C Textile	380	395
xC Thor	11	12½
xC Tungst	17	18
xC W Pet	840	855
Con Gas	26½	27
C Glass	26	29
xConwest	510	540
xCop Cla	475	475
xCop Cor	98	100
xDo rt	2½	3½
xCoprcres	37	43
xCop-Man	12½	13
xCoprand	445	450
Corby vt	14¾	14¾
Do B	14	15
Cosmos	13	13½
xCoulee	64	65
xCournor	10	11
xCowicha	..	135
Craig Bit	6	6¾
xCree Oil	450	470
xCrestaur	8	10
xCrestbr	425	430
Do pr	43	43
xDo w	150	..
xCroinor	..	22
Crown Co	48	..
Cr Trust	22¾	23½
Cr Zell	48	49¾
xCrowpat	25	28
Crow's N	215	230
xCusco	12½	14
xDaering	25	30
xDaine	8½	11
xD'Arago	27	27½
Davis A	9½	9¾
xDo B	300	350
xDe Cour	48	50
xDo wts	10	12
xDeer Ho	38	40
xD'Eldona	12	13
xDelnite	61	65
xDel Rio	430	435
xDesmont	15½	17
xDetta	7½	8
xD-Leduc	158	159
xDev-Pal	158	159
xDiadem	13	14
D Seag	29	29½
xDo Expl	910	915
Dome	12½	12¾
Dom Ang	425	..
Do pr	88	93
D Coal pr	10½	12
D Corset C	14½	15
D Dairies	7¾	8
Do pr	16	18
Dom Elect	5½	12¾
Dom Fab	10	..
Do 2 pr	..	24
D Fndry	28½	29
Do pr	96½	97
Dom Ins	210	300
D Magnes	14½	14¾
Dom Scot	26	27½
Do pr	44	48
D Steel or	20¾	20¾
Dom Store	38½	39
Dom Tar	11½	11¾
Do pr	15	20
Dom Text	8½	8½
Do pr	137	..
xD Wool	75	100
xDonalda	28	30
D Ropes B	14	14¾
xD and M	90	95
Dow Brew	35	36
xDuvan	43	45
xDuvex	20	21
xDyno	57	59
xE Amphi	7½	8½
E Koot	550	7
xE Malart	125	129
xE Sull	435	450
xE Asb	55	60
xE Metals	36	38
xE Minin	345	350
E Steel	450	550
Easy Wa	13	15
Do pr	15	18
Econ Inv	35½	36
Eddy	54½	54½
xElder	30	38
xEldrich	38	42
xElec (C)	98	..
Electrolux	11	11½
xEl Pe-Re	26	26½
xEl Sol	16	17
xEm Glac	17	19
Emp Life	68	75
Equit Lif	44	44
xErie B	250	450
Estabks p	18½	25
xEureka	70	72
xExcelsior	60	65
xEx All	38	39
Falcon	33¾	34
Fam Play	15½	16
Fanny F	18½	20¾
xFaraday	138	140
xDo wts	65	69
xFargo	250	256
xF'W Tun	17	19
Fed Fire	50½	..
Fe Grain	28	29
Do pr	..	26½
xFe Kirk	20	21
xFibre	450	600
Do pr	390	500
Fittings	200	450
Do A	10	10
Flash F pr	18	..
xFleet Mf	105	115
Ford	52	53
Do A	103	104
Do B	117	..
Foundat	18	19½
xFrancoeu	10	11
Fraser	31¾	32¾
Freiman p	..	95
xFrobish	265	275
Do deb	76	80
Fruehauf	8½	8¾
xGaitwin	27	28
Gatineau	27½	27¾
Do 5%p	101	104¾
Do 5½p	105	108
Geco Min	15½	15¾
Gen Bake	475	500
G Dynam	51¾	52½
G Elect	..	65
GMC	41½	42
xG Pete	560	570
Do A	530	550
GP Mfg A	34	35
Do B	39	..
GS Wares	7¾	7½
Do pr	84	87
xGenex	19	23½
xG Scien	80	99
xGia YK	445	450
xGlenn Ur	67	68
xGoldale	20	22
xGoldcrest	12	14
xG Eagle	7	7½
xG Man	165	185
xGF Uran	20½	21½
Goodyear	140	144
Do pr	45	46
G Mack A	7½	7½
Do B	6¾	7½
Grafton A	15	17¾
xG Bousq	12	13
Granby	9½	11
Gr Toy	45	49
xGrandine	17	18
xGranduc	400	415
GL Paper	..	37½
GN Gas	5½	6
Do pr	..	43
xDo wt	250	300
Gr Plain D	34½	35½
xGr S G	102	107
GW Coal A	8½	8¾
Do B	..	7¾
Gt West	..	21¾
xGreening	5½	5½
xGreyhaw	35	36
Gridoil	10½	11
Guar Tr	21	21½
xGulch	34	35
xGulf Ld	9	11
Gunnar	17¾	18
xDo wt	955	975
xGurney	255	400
Do pr	21½	23½
xGwillim	8	8½
Gypsum n	22½	23
Hahn	18½	20
Do A	16½	16½
xHallnor	300	345
H Cotton	13½	15
Do pr	..	94½
Hard Carp	6	7
xHard Roc	11	12
xH-Minera	33	35
Hartz A	..	9
xHasaga	12	14
xH of Lak	10½	11
xHeadway	59	60
xHeath	12	13½
xHees	325	350
Hendsho n	6¾	6¾
Do pr n	..	94
xHeva	7	7½
xHi Crest	27	28
xHi-Bell	89	92
xHiwood	28	30
H Dauch	43	43½
Hi-Tower	7½	9
xHolden A	..	200
Do B	..	200
Hollinger	22¾	23½
Hom Oil A	12½	12½
Do B	11¾	11¾
H Smith	36¾	37
Do pr	42½	..
xHoyle	565	570
Hud Bay	81	81½
xHugh-Pa	25	28
Hughe OB	12	..
Do pr	25¾	..
Hur Erie	33	34¾
Husky	12½	13
xDo wt	550	570
Imp Bank	48	50
I Flo-Gl	25	28½
Do pr	..	30½
I Invest A	10	10¾
Imp Life	50	54¾
Imp Oil	53¾	53¾
xDo rts	44	45
Imp Tob	11	11½
Do pr	6	7
xInd Lake	15	16
I Accep	24½	25
Do 4.50p	..	92
Do 2.25p	..	45
Ingersoll A	7	8
xInglis	5¾	5½
Ingr &Bp	11	11½
Inland C p	14¾	16½
xInspiratio	70	80
I Bronze	11	14½
Do pr	23¾	24
I Met A	38½	39
Do pr	95¾	100
Int Mill pr	82	..
I Nickel	90	90½
Do pf	115.20	118
Int Pete	41½	41¾
Int Pow	..	275
xI Ranwic	27	35
I Utilities	46	46
Intpro BC	14½	14¾
Do A wt	..	300
Do B wt	80	115
Intprov PL	44¾	45
xIrish Co	176	181
xIron Ba	170	175
xIsotope	120	130
xJ Wait	20	21
xJacobu.	23	24
Jamaica P	..	24½
xJaye Ex	64	65
xJeanette	31½	37
xJellicoe	28	29
xJoburke	10	10½
Johns-Ma	45½	45½
xJoliet	41	48
xJonsmith	12	13
Journ Ott	16½	18
xJowsey	51	56
xJupiter	183	188
Kelvinator	7½	8½
xKenville	12	14
Kerr Add	16½	16½
Kerr Lake	40	48
xKeyboycn	6	7
xKeymet	41	50
xKilembe	208	210
xDo wts	70	76
xKirk H	23½	24
xKirk M	110	115
xKirk T	17	18
xKroy Oil	88	93
Labrador	18½	19
Labatt	19	19½
xL Cinch	86	90
xL Duf'lt	151	152
xL Ling	10	11
xL Osu	..	18
xL Shore	300	305
xL Wasa	19	20
L Woods p	..	135
xLa Luz	325	345
xLamaque	250	260
Laura Sec	16½	17½
Laurent A	9½	11
xDo wts	..	80
L & J A	20	20¾
Do B	21½	..
xLeitch	75	79
xLencourt	10	11
Lewis Bros	8½	10
xLexindin	14	14½
xLib Pete	202	203
xLL Lac	155	160
Loblaw A	45½	50½
Do B	68	85
Do A pr	28½	29
Do n A	16	18
Do B	16½	17½
Do pr	41½	42
Loews	120	..
xLomega	9	10
xLon Hos	125	150
Do A	5½	5½
xLI Pete	13	13½
xLorado	95	96
Do wts	40	50
xLouvic'rt	11½	14
L St. Law	18	22
Lowney	20	22
xLyndh'rst	62	63
xLynx	9	10
xMacassa	180	184
xMacdn'ld	60	63
xMacfie	9	10
xMackeno	36	38
MacKin St	..	46
Do pfd	96	..
xMacLeod	112	115
MacMill A	30½	..
Do B	31	32
xMadsen	196	199
xMages	110	115
xMagnet	7½	8
Mailman	..	25
Do cum p	..	97
Malartic	110	115
Maneast U	13	14
M Sug pr	..	101
M Lf Gard	23	25
M Lf Mill	8	8
Do pr	..	96
xMaralgo	18	19
xMarcon	8	11
xMarigold	24	25
Mar'time	193	195
xMartin	11½	12
Mass-Har	6½	6½
Do pr	82	85
xMatatch	55	80
Maxwell	6	6½
xMaybrun	51	52
McBrine p	11½	11½
McCabe A	24	..
Do B	24	..
McColl	61	62
Do pr	93	96
McIntyre	75½	75½
xMcKenzie	25	27
xMcMarmc	10½	11
xMcWattr	20	25
xMedall'n	345	350
xMent new	33	38
Merc Chip	..	8
xMerrill	171	175
Mer Pap	..	49
Merr Pete	13¾	13¾
xMeta Ur	16	17
Mex LP	12¾	14½
Do pr	11½	11½
Mex Tram	..	10½
xMidcon	69	70
Mid Pac	19½	21¾
xMidrim	133	135
xMid-Wst	315	320
Do wts	140	155
xMill City	24½	26
xMilliken	130	134
xMilt Brk	325	355
xMind'mar	10	12
Min Corp	18¾	19½
xMin End	34	35
xMin-Ore	15	17
Mod Cont	11	12
Do A	14	15
xMogul	185	190
Molson A	22	22
Do B	20½	24
xMon Knt	450	500
Do pr	46	50
Mon Mort	45	..
xMoneta	67	70
Mont Loco	14½	15½
Moore	46	46½
Do A	720	..
Do B	1104	..
Morgan&C	17½	20
Do 4¾%p	95	97
xMulti-M	110	114
xN Creek	..	72
Nat Drug	10¾	11
Do pr	11	11
xNat Expl	36	38
Nat Groc	20	22
Do pr	26½	26¾
xN Hos A	400	..
Do B	425	450
Nat Lead	105½	105½
xNat Pete	385	400
N St Car	26	26½
Nat Trust	39	40
xNello	21	27
xN Labine	63	68
xN Alger	13	16
xN Athona	42	44
xNew Bid	8	10
xN Bristl	105	110
xN B Dom	201	202
xN Cal	49	50
xN Chbn	239	240
xN Conc	24	30
xN Cont	51	53
xN Davies	18½	21
xN Delhi	30	35
xN D'c'kn	133	134
xN Fortne	14	15
xN G Ex	100	110
xN G'dvue	12	12½
xN Harr	16	18
xN Hghrge	27	30
xN Hosco	12	18
xN Jason	8	9½
xN Kelore	15	16
xNewlund	24	25
xN Man	70	80
xN Minda	31	34
xN Myima	10	11
xNewnorth	8	9
xN Rouyn	10	11
xN Senator	6½	7
xN Super	205	210
xN Taku	22	24
xNickl R	305	310
xNipising	260	265
xNisto	10	12
xN Acme	46	50
Noranda	50	50½
xNordon	14	18
xNorgold	9½	10
xNoriartic	9½	10
xNormet	600	615
xNorpax	77	80
xNorsyque	38	43
xNorthcal	70	85
xNC Oils	520	530
Do wts	245	270
xNor Inca	6	6½
xN Rankin	90	92
xNorspan	410	415
North Star	12	12¾
Do pr	39¾	39¾
Do wts	475	525
Do w'58	290	295
xN. Can	113	130
NQ Pow	27	27
Do 1 pr	46	48
NW U pr	80	80½
xNthind	68	80
Norvalie	16	17
xNudima	26½	28
Oak Wood	9½	9½
xObaska	6	6½
xO'Brien	55	59
Office Sp	16½	18½
xOgama	14	15½
xOil Select	12½	13
xOka Rare	43	50
xOkalta	228	230
xO'Leary	19	20
xOmnitran	6½	8
xOB Sup	28	100
Do pr	5½	7
xO Jocke	210	220
Do pr	8¾	9
Do B pr	8¾	8¾
xDo wts	59	60
Ont Loan	27¾	28
Ont Steel	24½	25½
Do pr	125	..
Opemiska	11	11½
xOrang C	260	300
xOrenada	22	23
xOrmsby	30	35
xOsisko	24	30
xPac East	11	12
Pac Pete	14¾	15
Page-Hers	89	92
xPan West	21	22
xPamour	45	48
xParamaq	8	8½
xParbec	6½	7
xPardee	42	44
Parker Dr	5	5¾
xPater	62	63
xPaymast	21	22
xPeace Ri	880	900
Pembina	46	47
Do pr	47¾	48
Penmans	..	24½
Do pr	117½	120
PC Jewel	21	23
Do pr	97	99½
xPermo p	185	190
xPerron	20½	25
xPeruv O	116	120
xPetrol	98	100
xPhillips	130	135
Photo Eng	40½	43½
xPic Cro	111	115
xPioneer	145	155
xPitch-Ore	8	9
Placer	11¾	12½
xPonder	63	65
Powell R	43½	44
xPo Rouyn	43	47
Pow Corp	..	57½
xPrairi O	385	410
xPr Bord	8	8½
Prem Tr	88	90
xPres Ele	135	160
PRM Inc	28½	29½
PRM Debs	83	86
xPRM wt	450	500
xPreston	580	590
Price Bro	..	93
xPronto	500	510
xDo wt	210	225
xPros Air	125	134
Prov Tra	11¾	11¾
xProvo G	154	155
xPurdex	10	12
xQue. Ch	133	134
xQue Cop	77	82
xQue Lab	10	12
Que Lith	825	850
xQue Man	65	66
xQ Metall	210	214
Que Pow	27	28
xQueensto	18	19
Quemont	18½	18¾
Quinte A	11	11¾
Quinte C	450	..
xRadiore	99	100
xRainvill	108	110
Rapid-Grip	8	8½
xRare Ear	85	88
xRayrock	131	135
xReef Ex	13	14
xReeves	165	196
Regent	18	19
xRenabie	200	220
xRexspar	35	38
Reynol Alp	..	93
xR Rupun	14	15
R Silk A	..	9½
xDo B	280	400
xRix Atha	50	52
Robertson	12¾	14
Do $1 pr	18	20½
xRobin	300	450
Do pr	..	300
R Little	..	10
Do A	12½	14
xRoche	10	11
xRockwin	17½	18
xRocky P	85	95
Rolland pf	..	85
xRowan C	8½	11
xRoxana	8½	11½
Roy Bank	61½	62
Royal O A	11	11½
Royalite	16½	16¾
Do pr	29½	30
Russell	10½	10¾
xRyanor	11	14
A V Roe	10½	16½
St L Ce A	..	15½
St L Corp	70¾	71½
Do A pr	95½	95¾
xSt. Mich	25	26
xSan Ant	52	60
xSand Ri	10	10½
xSapphire	141	144
Do debs	74	78
Sar Bridge	15	15¾
xSask Ce	235	245
Scarfe A	11½	11¾
xScury-R	325	330
Scythes	..	13
Do pr	20½	24½
xSec Fr	350	360
Shawin	..	80
Do A	44½	44½
Do B	46	47
xSheep Cr	90	100
xSherritt	670	675
Sher-Wm	37	39½
Do pfd	135	138
Shrf-Hors	11	11
Sicks	22	22½
Do vt	22	22½
xSigma	440	475
xSilanco	10	11
Silknit	19½	24
Do pr	37½	..
xSil Miller	75	77
xSil Stand	33½	38
Silvrwd A	10½	11½
Do B	11	11½
Simon& So	9	..
Simpsons	19½	19¾
xSiscoe	70	73
xSKD Mf	300	300
Slater n	16¾	17
Do pr	43	..
xSlocn VR	..	15
Smville pr	48	48½
xSouris	30	32
Southam	46	50
South Can	..	48½
xSo U Oils	36	41
xSpooner	25½	29
xStadacna	24½	25
St Brands	36¾	37
St Pav	32½	33¾
St Radio	11½	13
xStnleigh	220	229
St Brock A	7½	8½
Do B	7¾	9
xStanwell	70	72
xStarratt	8	10
Stedman	22	22¾
Steel Can	66¾	67½
xSteeloy	8½	9
Steep Rck	18½	19
Stnberg pr	98	100
Ster Tr	46½	47
xStovl pr	485	500
Stuart Oil	15	16
xSturgeon	44	45
xSud Cont	9½	10
xSullivan	345	360
S Propane	5	5½
Do pr	..	24
xDo wts	265	310
Suptst ord	16	16¾
Do com	19½	25
Do pr	100	100¾
xSurty O	123	125
xSurf Inlet	7	7½

(Continued on page 41)

Grain Prices

Winnipeg Futures

Week to Nov. 26, 1956

Crop Year from Aug. 8, 1956 High	Low		High for week	Low for week	Close Nov. 26
		Oats—			
.80½	.78	Dec.	.79	.78	.79
.80½	.76½	May	.79	.77½	.78¾
.80½	.73¾	July	.76¾	.75¾	.76¾
		Barley—			
1.06½	1.00½	Dec.	1.06½	1.03½	1.06
1.05¾	1.00½	May	1.05¾	1.03¾	1.05¾
1.04½	1.00¾	July	1.02¾	1.00¾	1.02
		Rye—			
1.44¾	1.21½	Dec.	1.36½	1.31	1.36½
1.51	1.25	May	1.43	1.37½	1.37½
1.49½	1.34¾	July	1.40½	1.34½	1.34½
		Flax—			
3.27¾	2.70¾	Dec.	3.27¾	3.05½	3.23½
3.29	2.72	May	3.29	3.09½	3.26
3.23	2.70	July	3.23	3.04	3.19¾

Winnipeg Cash

	For Week Nov. 26 High	Low	Prev. Week High	Low
Oats—				
2 C. W.	.84	.82½	.85¾	.82½
3 C. W.	.78½	.76½	.78¾	.76½
Barley—				
1 Feed	1.05¾	1.02¾	1.03¾	1.01¾
2 Feed	1.05¾	1.02½	1.07	1.01½
1 Malt	1.23½	1.19½	1.19¾	1.17¾
Rye—				
1 C. W.	[illegible]	[illegible]	[illegible]	[illegible]
2 C. W.	[illegible]	[illegible]	[illegible]	[illegible]

Chicago Futures

Week to Nov. 26, 1956

Crop Year from Aug. 8, 1956 High	Low		High for week	Low for week	Close Nov. 26
		Wheat—			
2.46¾	2.18½	Dec.	2.46¾	2.38½	2.45½
2.45	2.21¾	Mar.	2.45	2.40	2.44¾
2.44½	2.20	May	2.41¾	2.37	2.41½
2.34	2.12½	July	2.29½	2.25	2.28¾
2.35¾	2.23¾	Sept.	2.31½	2.27	2.30½
		Corn—			
1.44	1.33½	Dec.	1.39½	1.36¾	1.38¼
1.48¾	1.37½	Mar.	1.44½	1.41¾	1.43½
1.51½	1.41¾	May	1.46½	1.43¾	1.45½
1.52¾	1.43¾	July	1.47½	1.46	1.46¾
1.46½	1.42	Sept.	1.44	1.42	1.42¾
		Oats—			
.81	.73¾	Dec.	.81	.77½	.80½
.82½	.76½	Mar.	.80¾	.78	.80½
.82	.75¾	May	.78½	.75¾	.77½
.77	.72	July	.74½	.72	.73¾
.77½	.72½	Sept.	.74½	.73¼	.73¾
		Rye—			
1.61¾	1.37¾	Dec.	1.49½	1.45	1.48½
1.66	1.40½	Mar.	1.53¾	1.48¼	1.48¾
1.66½	1.41	May	1.53¾	1.48½	1.48½
1.60¾	1.41¾	July	1.47¾	1.41¼	1.43¾
		Soybean—			
		Nov.	2.54½	2.50¾	2.53¾
		Jan.	2.63	2.54½	2.60
		Mar.	2.65¾	2.57½	2.63½
		May	2.67	2.58¾	2.64¾
		July	2.61½	2.56	2.60¾
		Sept.	2.54½	2.48½	2.49½

Chicago Cash

	For Week Nov. 26 High	Low	Prev. Week High	Low
Corn—				
2 Yell.	1.41½	1.37½	1.37	[illegible]
Oats—				
1 H. W.	[illegible]	[illegible]	[illegible]	.81

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Coppercorp Cuts SC Zone Push Underground Work

The long crosscut to the west on the 500-ft. level at **Coppercorp Ltd.** has intersected the Silver Creek zone, President J. C. Perry announces.

A true width of 17½ ft. was disclosed averaging 3.68% copper by wall samples or 3.67% copper by muck samples.

The north wall has been slashed and two rounds driven north for a lineal distance of 25 ft. averaging 6.28% copper over 8.3 ft. by face samples or 5.43% by muck samples. The south wall of the crosscut has been slashed only. The face sampled 1.14% copper over 10 ft. and muck averaged 2.89% copper.

The Silver Creek zone has now been opened up for 36 lineal ft. and muck samples to date, of 383 tons, have averaged 4.14% copper, Mr. Perry reports.

On the first level in November, the C zone was advanced north 230.5 ft. in ore averaging 2.40% copper over 8.0 ft. The second level C zone was advanced 93.5 ft. north in ore averaging 2.79% over drift width.

The third level opened up 91 lineal ft. of ore in the C West zone grading 2.07% over 8.0 ft. width.

Coppercorp has offered shareholders one share for each five now held at $1 a share in a recent rights offering. Purpose is to permit continued development to a point where a mill decision can be made for the property, the company says.

Market Bid and Ask Quotations

(Continued from page 40)

	Bid	Ask		Bid	Ask
Switson	4½	5	Viau Ltd.	70	..
xSylvanite	82	105	Viceroy A	6	7½
Tamblyn	39½	40	xDo B	310	325
Do pr	42	45	xVico	16	17
xTandem	8	8½	Vic G Tr	25	25½
xTaurcans	36	42	xViolaMc	129	130
Taylor PC	9½	9½	V Dare pr	11½	13
Do pr	10	10½	xVulcan	45	50
xTeck-H	142	145	xWainwt	260	275
xTemag'i	390	400	Waite Am	12½	12½
xTex Cal	52	56	Walk GW	63	63½
xThom L	87	94	Wat Equip	16	16
xTiara	15½	17	xWayne P	70	72
TT Tailors	5½	10	xWeedon	38	39
xTombill	15	17	Wellington	78	78
xTorbit	33	..	xWerner	22	24
Tor-Do Bk	42	42½	xW Mason pr	..	25
Tor Elev	18	18½	xWespac	16	17
T Gen Tr	32½	33	W Koot	..	155
Tor Iron	18½	18½	xW Malar	10	10½
Do A	..	18½	xW Mgill	116	120
Tor Mort	110	..	Westeel	17½	17½
Tor Sav	37	..	W C Brew	30	30½
xTowagmc	9½	14	xW Decta	140	147
T Fin A	39½	40	xDo wts	34	38
Do B	39½	44	W Groc A	..	36
Do 4½%	..	90	Do pr	28	28
Do 5%	41	42	xW Lease	540	595
Do B rts	18½	..	xW Naco	105	110
Do wts	60	..	xDo wts	5	6
xTran Can	99	100	W PlywdB	15	17
xTr-Emp	175	184	Weston A	19	19½
Trans-Mt	92½	93	Do B	20½	21
Trans PPL	15	17	Do pr	..	90
xTran Res	26	27	White 1 pr	..	42
xTriad O	750	755	White Pass	7½	8½
xTribag	43	50	xWillroy	222	225
xTrin Ch	25	30	xDo wts	150	160
Tuckett	154½	..	xWilrich	22	23
xUltra-Sh	30	34½	xWiltsey	12	12½
xUn Acc	425	450	xWinchestr	7½	8
Do 2 pr	8	8½	xWindwd	12	14½
Un Gas	58½	59	Wpg Cent	10½	10½
xU Mng	16	20	xWood A	350	450
xU Asb	530	540	GH Wood		
U Corp A	29½	30	pr	97	..
Do B	21½	22½			
xU Estella	11½	15	xWool Co	285	350
U Fuel A	59½	60	xWr Har	143	148
Do B	38	39	xYale Ld	28	29
xU Keno	580	585	xYan Can	12	12½
xU Mcnta	15	16	xYellorex	8	11½
xUn Oils	169	170	xYk Bear	157	159
Un Steel	15	15½	xY Knt A	100	150
Univ Prod	19½	20	xDo B	..	60
xUpp Can	67	72	xYukeno	6½	7
xVanadm	300	325	Zeller 4½%	..	47
xVandoo	17½	18	xZenmac	20	21
Ventures	34½	35½	xZulapa	35	43

x Quoted in cents.

	Bid	Ask		Bid	Ask
Dupont	18	18¾	Ogilvie	31½	33
Do pr	..	89	Do pr	148½	165
Gaspe Cop	35½	36½	xPato	460	485
Hayes	30½	33	xPend Or	305	325
Int Pap	96	97½	Price Br	..	55½
Int Util	46	46½	Ridgeway	40½	41
IP Util	10½	12	Sangamo	11½	12
Langley pr	35¾	39	xSW Pete	43	50
Lob Inc	69½	70½	Third CG I	5½	6
MacLaren	84¾	90	xYukon C	52	53
MO Paper	29	30	Zeller's	..	24½
Niag Wire	47½	51			

x Quoted in cents.

Canadian Stock Exchange

	Bid	Ask		Bid	Ask
Beaubran	28	29½	Do vt A	8	10
Beld Cort	8	9	United Dis	11	11
Do pfd	11½	..	Waterman	9½	10
Belg'm St	8½	9½	Wilson JC	8½	..
Do pfd	14	..	Wndsr Htl	40	45½
B'fly Ho	150	..	Wood Mfg	47	49
Cdn Arena	97	125	MINES		
Cdn. P & P	6	6½	Alta	7½	10
Cdn Slk A	350	375	Amernm	..	10
Catelli A	..	25	Arno	7½	8
Do B	39	..	Band-Ore	11½	13
Cinzano 5½% pfd	83	..	Barvallee	37	38
			Beatrice	8	10
Cl Neon A	5½	7¾	Bellechse	40	..
Do B	6	8	Belle-Chib	20	22
Con Div A	150	..	Boreal R	10½	13
Do pfd	37	..	Bouzan	67	..
Crain RL	22½	23½	Burnt H	125	140
Dav & F A	..	50	Calumet Ur	7	8
Dom Eng	21	21¾	Cdn Lith	..	30
E Koot pf	70	85	Carnegie	18	18½
For Pr Sec	..	50	Cartier-Mal	7	7½
Freiman 4½%			Celta	6	7½
pfd	..	95	Cen Man	6	9
Horner A	10	11	Cortez Ex	7½	8
Htl La Sal	31½	..	Fab Met	14½	..
Hubrd Flt	115	160	Fontana	7	9
Do A	..	20	Gui-Por Ur	9	11
Hydro Elec	9¾	9½	Hillcrst C	70	..
Int Paints A	7½	12	Hudson-R	54	55
Do pfd	..	24	Iso Uran	15	18
Inv Found	40½	42	Jardun	12	13
Do pfd	57	60½	Kontiki L	10	11
Lambert A	11	12	Lingside C	10	..
Do B	15	..	Mogador	40	50
Latonia In	16¾	18	Molybnte	106	..
Lochabr A	10	..	N Pacific	114	..
Do B	250	..	N S'tiago	8	..
London Can	7¾	9	Nocana	8	8½
Mclaren P	84½	88	Obalski	21	..
Melch Dis	5½	5½	Orchan Ur	10	14
Do pfd	10	12	Pitt	10½	..
Mtl Refrig	36	..	Por Prime	9	10
Mt Roy Ri	12¾	14	Que Smelt	55	58
Nfld L&P	42	42½	Red Crest	12	13
Paton Mfg	10½	..	Soma-Duv	4	7
Do pf 7%	22½	..	Tache Lk	35	36
Pr Corp 1st	..	43¾	Tazin	8	9
Do 2nd	..	73	Trebor	22	24
Que-Tel	19½	20	Valor Lith	16	15
R&M Bear	..	19½	Virg Min	200	220
Reitman's	15	16½	Wendell	6	6½
Re Chains	..	19½	Westville	11	15
Sangamo	..	12	OILS		
So Can pf	126½	..	Altex	25	28
Std Clay	500	..	Bonn'lle	28	30
Stowell B	17	..	Calalta	130	135
Tooke Bro	65	..	Emp Oil	17½	..
Do pfd	140	175	Phillips	135	140
Un Amu A	8	..	Quebec	6	7½
Do B	7½	..	Wburne	103	104

Toronto Curb

Andian	450	490	C Indust	17	17½
Ang Cdn	P32	34	CIL pr	..	90
Ang-Nfld	9½	9½	C Ingers n	45	47
Asbestos	..	33½	xC Mconi	325	350
B Am Bk	28	36	C Wstghse	36	38
Brown	15½	15½	xCoast C	700	800
xBulolo	410	425	C Paper	35¾	36½
CD Sug	20½	20½	xDalhouse	17	18
Can Ving	20	20½	DeHav	145	198
C Bronze	27½	28	D Bridge	19	19½
Do pr	101	..	D Glass	44	50
C Cottons	7½	10	Do pr	13	15
Do pr	6	8	D Oil Clth	..	33
CG Inv	28	29½			

November mining booklet available on request

Draper Dobie *& Company Ltd.*

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AGENTS THROUGHOUT THE WORLD

Newkirk Plans Name Change

Newkirk Mining Corp. is taking another step toward integration and streamlining of its mine development and financing operation.

The company plans:

—A change of name to **Continental Mining Corp. Ltd.**

—To acquire all outstanding shares of **Central Mining Services Ltd.**, an administrative firm.

—Acquisition of all outstanding shares of **Continental Exploration Ltd.** which operates a contract diamond drilling business through a subsidiary.

The change of name would more accurately describe the company's widespread activities in the mining field, President Bryan W. Newkirk states.

Central Mining shares under the proposal would be purchased for 75,000 Newkirk Mining shares from William McKee, a director of Newkirk. Central Mining as a wholly owned subsidiary would give Newkirk Mining complete management services.

Basis of acquiring the Continental stock is one share of Newkirk for each 10 shares of Continental. Newkirk Mining already holds about 80% of the stock of this company, whose name would be changed, under the proposal, to **Conty Exploration Ltd.**

Continental Exploration, in addition to holding a varied portfolio, wholly owns **Continental Diamond Drilling Co.**, a contract drilling firm.

A special general meeting of Newkirk Mining and Continental shareholders is to be held Dec. 6 to authorize the changes.

KIRK-HUDSON MINES LTD. reports completion of three drill holes on its Colorado copper property with the first hole intersecting 270 feet of mineralization. Company is investigating three zones on its Morocco copper property where trenching and short drill holes have been completed.

LYNDVUE MINES LTD. reports a start on geological mapping on the company's "A" property in Beaudet Twp., Que. Exploratory drilling near mineral showings is also under way and a self potential survey is planned.

Unlisted Mines and Oils

(Compiled from Quotations by G. E. LESLIE & CO., Montreal)
November 26, 1956

Stock	Bid	Of'r	Stock	Bid	Of'r
Abeta	9	11	Lynivue	50	56
America	27	30	Lun-Echo		37-42
Aconic	6.25	6.75	Main Oka	24	27
Arnora	2	4	Martin Brd	10	15
Adnor	4	6	Mid Chib	53	56
Atlas Chib	13	17	Miller Cop	23	26
Amer Chib	25	30	Nat Mal	9	12
Bald Mtn.	10	12	New Lorie	5	7
Belmont	7	10	New Augur	3	5
Burrex	—	55	New Pen	3	5
Bluegrass	7	10	Nipiron	15	20
Bornite	18	23	Norbeau	70	80
Brosn Chib	42	46	Norcopper	60	70
Cdn Javln	18½	19½	Normiska	30	35
Chib Cop	30	40	Oklend	4	7
Cent Mng	75	1.00	Ont Nckl n	19	24
Clinger	6	8	Montgom'ry	2	4
Cont Copp	25	30	Pascalis	10	12
Cop Valley	50	55	Pwr Uran	—	10
Derogan	3	5	Provincial	3	5
Enterprises	60	65	Quedon	15	20
Flicka	7	10	Quejo	7	10
Flu Bar	—	1.05	Rand Mal	5	7
Ford High	80	1.00	Red Diam	—	93
Garland	—	20	Roymont	10	20
Gibson	13	16	St Lawr	—	60
Glencona	4	5	St Jude	10	15
Goldmaque	4	6	Scott Chib	8	11
Imp Minrls	5	8	Selby Mng	—	50
Independ	10	14	Sharbot	60	65
Inter Asb	4	7	So Bach	15	19
Inter Lith	—	1.25	Suzor	—	25
Kamlac	9	12	Starlight	6	9
Kenmac	12	15	Titanium	60	70
King Copp	—	10	Wesley	7	10
Lake Chib	24	29	Wm Leys	12	15
Lassie	5	8	Yng Dave	12	16
Lawmac	—	1.25			

Market Comment

What stocks and bonds are doing and what prominent observers say

Year end tax selling will be an important market factor in U. S. over the next two to three weeks. Coming on top of "thin market" conditions this could be the extra depressant that will force prices even below the last Dow-Jones stronghold of 465 (industrials).

In recent days the Canadian markets—which have been outperforming New York for a couple of weeks—reversed their position and started turning in a much poorer performance. The base metals particularly have dropped sharply in recent sessions. Even such big producers as Inco, Noranda, Hudson's Bay have come in for some selling pressure.

Despite the continued disappointing action in the face of generally good business conditions many market analysts look for a good market rebound before Christmas.

• • •

W. D. ROSS; E. T. Lynch & Co. (Toronto)

In the past 12 months or so, New York industrial stocks, by and large, have shown little change. For this reason, tax selling by Americans will be a more important factor in the next few weeks than it has been in the past three years. This factor, added to the effect of the tight interest rates here and in the U. S., and the uncertainty over developments in the Middle East and Eastern Europe, suggest lower stock prices over the balance of the year.

The business outlook, generally, is good with the exception of the automobile and housing industries. However, an important but little noted trend in industry over the past two decades has been the growing independence of industrial activity in one industry. In 1957, for example, it is estimated that housing will show little, if any, gain but that construction in total will improve about 5%. Thus, business conditions in 1957 may be generally better even though housing and automobile production do not contribute to any great extent. From a market point of view, however, it warrants a high degree of selectivity.

• • •

DONALD F. ANGUS; A. M. Kidder & Co. (Toronto)

The stock market has suffered some severe setbacks in the past few weeks as a result of the prolonged Middle East crisis, and the continued tight money policy. It is obvious the Western Allies have not only suffered a political defeat in foreign policy, but at the same time have allowed Russia a strong foothold in this part of the world that may prove difficult to remove. There is evidence that an early advance in the United States rediscount rate seems probable. There is the view that the market has already adapted itself to a higher rate.

The business outlook in this country appears surprisingly bright with the vigorous recovery of automobile production and sales, a large demand for steel products until at least mid-1957, and also the increasing tempo of exploration by the oil companies in Western Canada.

The continued rise in interest rates has brought about an improved competitive position for bonds and preferred vs quality common shares. The convertible debenture appears to be one of the more attractive media for investment at this time, as it not only provides a fixed income, but also can be used as a hedge in further inflationary uptrends.

For the more optimistic investor, the steels, oils, gas and uraniums should feature in any renewed advance in the averages.

BARRON'S; The Trader (New York)

Allowing in the fourth quarter for a sharp rebound in the earnings of steel and automobile companies, the calendar year should produce earnings of close to $36 (on 30 companies making up D-J Industrial Index), which would represent an earnings multiplier of 13 times. A normal range, historically, for the capitalization of earning power on the average is 12-14 times, and at the top of the 1929 and 1937 bull markets, the figure was in excess of 19 times.

Unlisted Stocks

(Compiled by Intercity Securities Corporation Limited, Toronto)
Nov. 26, 1956.

	Bid	Asked
Algoma C.&H.B. Rly. com.	22.50	24.50
Do. pfd.	1.00	2.00
Allens Toronto, units	43.00	....
Anglo Can. Telephone, A	28.00	28.75
Bowater Ltd	4.65	4.95
Bowes Ltd., 1% pfd.	.75	.90
Brinton Peterboro Carpet	51.00	55.00
British American Assce.	112.00	117.00
B.C. Sugar	29.00	30.50
B. C. Telephone, 4½% pfd.	87.00	94.00
British Mortgage & Trust	215.00	225.00
Can. Cons. Grain Units	110.00	....
Can. Crushed Stone, 6% pf.	96.00	....
Can. Delhi Pete.	7.00	7.50
Can. Foreign Securities	12.75	....
Carlton Club	140.00	....
Cawthra Apts.	37.00	....
Chase, Dr. A. W., com.	1.50	2.25
Colonial Steamships com.	210.00	....
Commercial Finance	50.00	....
Concourse Bldg., v.t.	55.00	....
Crain, R. L. pfd.	.75	....
Crown Life Insce.	138.00	143.00
Debenture & Secs. 5% pfd.	88.00	92.00
Detroit Internat. Bridge	16.00	19.00
Dom. Can. Gen. Insce.	70.00	75.00
Dominion Life	1600.00	1650.00
Dom. Linseed Oil pfd. & com.	2.75	....
Dover Industries	9.25	10.25
Eastern Canada Savings	19.00	21.00
Eastern Trust Co.	25.00	30.00
Essex Packers, common	1.75	2.75
Do. pfd.	38.00	42.00
Goderich Elevator	23.25	24.00
Granite Club	14.25	15.00
Gt. Britain & Can. Inv., com.	15.00	17.00
Do. pfd.	118.00	....
Great Lakes Power, com.	16.50	17.50
Great-West Life Assce.	263.00	273.00
Guarantee N. Am., fully pd.	385.00	410.00
Do. 20% paid	85.00	96.00
Halifax Insce.	14.50	15.25
Halton & Peel Trust	10.00	11.00
Highland Dairy pfd.	40.00	....
Homewood Sanitarium	90.00	....
Hudson's Bay Co.	24.00	25.00
Humber Amusement Pier	.35	.50
Humberstone Shoe	8.25	9.00
Industrial Mortgage & Trust	77.00	....
Ingersoll Machine, 4% pfd.	78.00	....
Ingersoll Machine Tool, B	5.25	6.00
Ingram & Bell, com.	4.25	....
Inland Natural Gas	6.25	6.75
Lambton Golf Club	330.00	....
Lambton Loan Sarnia	80.00	....
Lawson & Jones, 1% pfd.	.75	....
Lond. Can. Inv., $3 pfd.	48.00	52.00
Do. A	42.50	46.00
London Life Insurance	180.00	185.00
Lord Simcoe Hotel, A	3.50	4.00
Manufacturers Life	232.00	238.00
Monarch Life, 60% pd.	300.00	....
Morrow Screw & Nut	38.00	....
National Life	300.00	325.00
Nat. Sewerpite, units	13.00	16.00
Niagara Lower Arch Bridge	65.00	69.00
Northern Telephone	3.40	3.60
Nove Scotia Lt. & Pr., com.	12.00	14.00
Nova Scotia Trust	19.00	....
Oakville Wood, 6% pfd.	84.00	89.00
Paramt. Oshawa Theatres	12.50	....
Park Lawn Cemetary	1.75	....
Phillips Electrical	14.00	15.00
Prairie Royalty Trust, units	2.50	....
Prudential Trust	16.00	18.00
Rapid Grip Batten pfd.	93.00	98.00
Reliance Pete., A & B	23.00	....
Do. pfd.	38.00	43.00
Robin Jones Whitman, pfd.	24.00	26.50
Royal Oak Dairy, B	3.25	....
Sherbrooke Trust	155.00	....
Sincennes McNaughton Line	3.00	....
Skyway Drive-In Theatre	1.40	2.00
Sovereign Life, 25% pd.	107.00	....
Standard Fuel, common	2.75	....
Do. pfd. $2.25	39.00	42.00
Summit Golf	15.00	25.00
Sun Life Assce.	240.00	250.00
Surpass Petrochemicals	1.04	1.07
Teleflex	12.00	14.00
Thorncliffe Park	5.25	6.00
Toronto & London Inv.	2.75	....
Tor. Medical Arts Bldg.	54.00	....
United Can. Shares	18.50	19.50
Waterloo Mfg.	7.35	....
Waterloo Trust	35.00	....
Westcoast Trans., units	147.00	151.00
Do., v.t.	26.75	27.75
Western Assce.	63.00	67.00
Western Life, 25% pd.	70.00	....
Wood Alexander, 6% pfd.	90.00	95.00

Unlisted Mines and Oils

(By Broker Dealers' Assoc. of Ont.)

Approximate quotations, 3.30 p.m., Nov. 26, subject to confirmation and change. An asterisk (*) indicates an increase in price; a dagger (†) a decrease in price.

	Bid	Ask		Bid	Ask
Abenakis	1½	2½	Lowr Can	2	3
Abeta	†8	9	Lun Ec	40	45
Advance	†10	13	Lyntwn	27	30
Alexander	4	6	Magoma	10	15
Ama Kir	4	6	Main Ok	*25	28
Anabar	5	10	Manecho	4	6
Anamaq	2½	4	Mall RL	5	7
Anuwon	6	8	Mar Bird	10	12
Arctic	2½	3½	Maree	2	5
Alt Chib	12	15	Mate Yel	6	8
Bandwn	21	25	McCuaig	2	4
Beacon	4	7	McFinly	24	27
Belfast	4	7	Miles RL	2½	4
B Grass	†5	7	Millkirk	7	10
B McDad	6	8	Mindust	†100	120
Bracemq	4	7	Mt Keno	1½	2½
Braminc	13	18	Montgr	195	200
Bright	2	3	Montco	7	9
Bruce P	*14	16	Murky F	45	50
Brunette	4½	6	Murmac	1½	2½
Camlaren	4½	6	Nat Mal	9	11
Camp I	†28	30	New Ang	3	5
Camray	2	4	N Insco	8	11
Can Rad	5	10	New Met	†20	23
Canalask	18	21	N Redwd	6	8
Canuba	54	58	New Wal	2	4
Captain	10	12	Nickel I	4	6
Cn Mag	—	110	Nickel O	—	25
Cn All M	†8	10	Nicoba	†11	13
Capital	†47	50	Nipiron	15	18
Cayzor	450	475	Norbeau	80	90
Cn Lith	†30	35	Norcourt	1	3
Cn Man	8	10	Norford	1	3
Cnt Hill	24	27	Normar	2	4
Caral	15	20	Novel Pr	1	3
Chelley	7	9	Obsk '45	*20	22
Chipman	†13	15	Oceanic	160	180
Clinger	4	6	Oklend	5	7
Clix	5	7	ORare M	6	8
Columbr	4	5	Orchan	†14	17
Columinda	1½	3	Orofino	9	11
Comstock	5	7	Racemkr	6	8
C Bi Ore	13	15	Pascalis	9	11
Con Cop	†21	23	Part Cn	*23	26
Conecho	6	8	Pax New	40	50
C Harper	11	13	Payne	2	4
C Vauze	6	8	Peach	1000	1100
Cordell	†10	15	Pelangio	2	4
Crack S	12	15	Pickering	10	12
Craibbe	10	12	Picton	9	12
Croydon	4	7	Pine P	975	1050
Derlac	2	4	Pitchvein	4	6
Despina	†5	7	Plum N	35	45
Destrad	†3	5	Polestar	38	42
Dom Ex	8	10	Presdor	2	4
Dunvegn	7	9	Quejo	6	7
Durham	†8	10	Quest	1½	2½
East Ind	3	6	Raglan	13	16
Echo	2	3	Rand M	4	6
El Bon	15	17	Randona	3	5
Farcroft	5	7	Red Brk	11	14
Fatima	28	32	Redcon	3	5
Fleetwood	5	8	Rhyolite	1	2
Forty Fr	40	50	Richgroup	9	11
Gal Chib	†29	30	Rio TC	†270	280
Gan Cop	4	6	Romar	30	34
Gateway	7	9	Rugged	3	5
Glenbrk	7	9	Russet	*4	6
Glencona	3½	4½	Salmita	3	5
G Harker	10	13	Sheldon	9	11
Goldmaq	3½	4½	St Mary	13	17
Goldyke	3	4	Snow L	3	5
Gov Gold	6	8	S Dufalt	†10	12
Grd Chib	40	60	Starlight	†5	7
Gui Por	11	13	Sunbear	2	4
HG Yng	12	16	Th'crest	8	12
Hornfalt	8	10	Tower	—	9
Hot Min	5	7	U Ridge	†13	15
Hucamp	12	14	Valor	†15	18
Independ	10½	12	Viking	12	14
Jardun	—	15	Wadge	4	6
Jean Lk	*14	18	Wesley	5	7
Jerome	7	9	Westall	3	5
Kamlac	10	12	West RL	3½	4½
KB Mng	†10	12	W Wasa	4	6
Kenda P	2	4	Y Davids	13	16
Kenog	10	12	OILS		
Laronge	16	18	C Delhi	700	750
Larum	7	9	Cn Sup	1325	1375
L Expan	10	12	N Ranch	7½	8½
L Rnxy	40	45	O Smoky	4	6
			Pag Pete	6	8

Bond Tenders

12 Noon, Nov. 29, 1956, Government of Canada Treasury Bills — Payable Mar. 1, 1957, $115,000,000. Issued Nov. 30, 1956.

5 P.M., Dec. 4, 1956, Town of Yarmouth, Nova Scotia — 5% 1-10-year debentures, $104,000. Dated Dec. 1, 1956.

ANNOUNCEMENT

CANADIAN GENERAL ELECTRIC DIRECTORS

B. M. HOFFMEISTER

J. M. BREEN

The election of Mr. B. M. Hoffmeister and Mr. J. M. Breen to the Board of Directors of Canadian General Electric Company Limited was announced following a recent meeting of the Board. Mr. Hoffmeister is Chairman of the Board of MacMillan and Bloedel Limited, Vancouver. Mr. Breen is President and General Manager of Canada Cement Company Limited, Montreal.

For the Information of: **Unregistered Shareholders**
Debenture Holders
&
Warrant Holders

FARADAY URANIUM MINES LIMITED

SUITE 1606, 100 ADELAIDE ST. WEST
TORONTO 1

To the Shareholders
FARADAY URANIUM MINES LIMITED: November 14, 1956

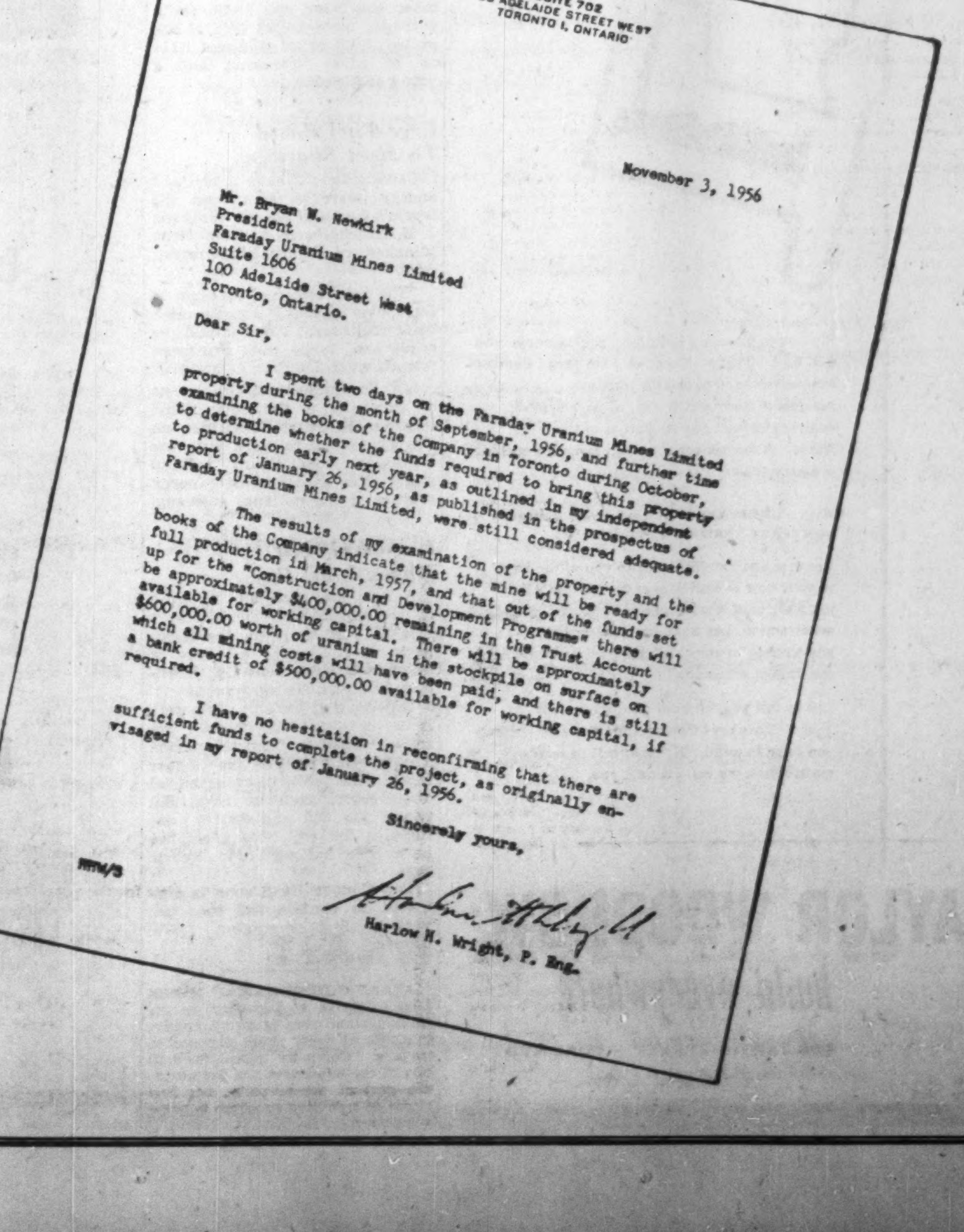
The letter reproduced by photostat below was recently received by the Company from Harlow H. Wright. P. Eng., consulting engineer.

As an independent consulting engineer, Mr. Wright, on behalf of the debenture underwriters and the Company, estimated the funds that would be required to put the Company's uranium mine into production in the Bancroft area, Ontario. As stated in the letter, his original report was published in the prospectus covering the issuance of the Company's $8,500,000 5½% Sinking Fund Debentures.

Your Directors feel that all Shareholders should have the opportunity of reading this important letter from Mr. Wright so that they may learn—at first hand, as it were—that the Company is well within its cost estimates and will commence production during March, 1957, with adequate working capital and a substantial amount of ore stockpiled and ready to mill.

On Behalf of the Board,

A. W. JOHNSTON,
Vice-President & General Manager


SUITE 702
25 ADELAIDE STREET WEST
TORONTO 1, ONTARIO

November 3, 1956

Mr. Bryan W. Newkirk
President
Faraday Uranium Mines Limited
Suite 1606
100 Adelaide Street West
Toronto, Ontario.

Dear Sir,

I spent two days on the Faraday Uranium Mines Limited property during the month of September, 1956, and further time examining the books of the Company in Toronto during October, to determine whether the funds required to bring this property to production early next year, as outlined in my independent report of January 26, 1956, as published in the prospectus of Faraday Uranium Mines Limited, were still considered adequate.

The results of my examination of the property and the books of the Company indicate that the mine will be ready for full production in March, 1957, and that out of the funds set up for the "Construction and Development Programme" there will be approximately $400,000.00 remaining in the Trust Account available for working capital. There will be approximately $600,000.00 worth of uranium in the stockpile on surface on which all mining costs will have been paid, and there is still a bank credit of $500,000.00 available for working capital, if required.

I have no hesitation in reconfirming that there are sufficient funds to complete the project, as originally envisaged in my report of January 26, 1956.

Sincerely yours,

HHW/S

Harlow H. Wright, P. Eng.

MINING INVESTMENTS

Mine Profits Rise In '56 Sight Record For Noranda

Mine production and profits are rolling along at record levels this year. Individual earnings statements are pointing to a generally profitable year for most mines.

Latest to join the group showing rising profits is **Noranda Mines Ltd.**, despite the recent cuts in copper prices.

An estimated net profit of $14,890,000 equal to $3.32 a share in the first nine months of 1956 points the way to a record year for Noranda.

Earnings in the same period last year were $9,906,000, the equivalent to $2.21 per share. Total net profit in 1955 — Noranda's most profitable year — was $14.8 million or about $3.31 a share.

Metal production in the first nine months this year amounted to $25,498,000 while investment income was $4,871,000. Total income was $30,369,000 compared with $22,382,000 in the same period of 1956.

Production and other expenses were $7,812,000, up by about $800,000 from the period last year.

* * *

Placer Group Production Up

Production by subsidiary and associated companies shows increases this year over similar periods in 1955, **Placer Development Ltd.** says in a report to shareholders.

Estimated net profit of **Pato Consolidated Gold Dredging Ltd.** was $2,090,000 for the six months ending Sept. 30, 1956. Production value rose in the quarter ending Sept. 30, 1956, to $1,888,215 from $1,249,990 in the same quarter last year. Value in the nine months to Sept. 30 was $5,420,065 compared with $3,946,075 in the period last year.

Although fewer yards were dredged, **Bulolo Gold Dredging Ltd.** reports a rise in value to $309,330 for the quarter ending Aug. 31, 1956, from $236,390 in the same quarter of 1955.

Production value at **Asnazu Gold Dredging Ltd.** amounted to $151,200 in the quarter ended Sept. 30 this year, up from $140,735 a year ago. For the nine months to Sept. 30, this year's value was $405,090 compared with $328,300 last year.

Asnazu expects that operations in Columbia will stop shortly.

Combined operating profit from **Canadian Exploration Ltd.'s** lead-zinc and tungsten mills is estimated at $5,036,000 with a net profit of $2.5 million for the year ending Aug. 31 this year.

* * *

Quebec Lithium May Up Capacity

Daily capacity of the concentrator at **Quebec Lithium Corp.**, Canada's only lithium producing mine may reach 1,600 to 1,800 tons once underground preparation is further advanced, President Pierre Beauchemin reports.

A third crusher and a third ball mill are now being installed.

Operation of the concentrator has been improved and gross production of lithium concentrates in October reached $350,000 gross value, Mr. Beauchemin says. A little over 1,000 tons of ore daily were treated in the month.

This production permits meeting the requirements of the contract which the company has with **Lithium Corp. of America.**

A recovery of 80% has been obtained in the past few weeks and a 90% recovery may be in the offing, Mr. Beauchemin says.

Quebec Lithium expects to enter the feldspar field soon. Feldspar and silica are contained in the ores and they will be recovered by magnetic separation methods.

* * *

Deer Horn Leases Claims

Eight whole and three fractional claims out of a 42-claim group in British Columbia have been leased by **Deer Horn Mines Ltd.** to **Rexspar Uranium & Metals Mining Co.**, Deer Horn officials announce.

The Deer Horn claims, adjoining the Rexspar property, did not warrant independent uranium production. Rexspar has a contract for sale of uranium to **Eldorado Mining & Refining Ltd.**

Rexspar, which will lease the claims for 20 years, will pay Deer Horn 50c a ton on any ore delivered from the claims to the proposed Rexspar treatment mill.

* * *

Quebec Copper Shipments Soar

Shipments of copper from Quebec mines rose by 32% in the first nine months of this year compared with the same period of 1955, the **Quebec Mines Department** announces.

Copper shipments amounted to 188.2 million lb. as against 142.1 million lb. in the first nine months last year. Also showing increases were clay products by 14%, lime by 1% and cement by 10%.

Shipments of asbestos dropped 3% in the period, gold was down 8%, silver 13% and zinc 15%.

The province's 15 gold mines and about the same number of base metal mines produced 799,800 oz. gold in the period this year. Value was $27.7 million.

* * *

Montgary Plans Depend On Tests

Tests to determine commercial feasibility of a new chemical process for extraction of lithium salts from ore should be completed and results available early in December, President George A. McCartney told shareholders at the annual meeting of **Montgary Explorations Ltd.**

If the tests are successful, a pilot plant will be operated prior to building a main plant, he said.

H. T. Leslie, consulting engineer, told the meeting that the shaft on the Bernic Lake, Man., property would be sunk to 650 ft. with two levels to be established. Sinking is to start early in 1957.

Since iron content of the ore is low, it is expected that a premium grade product could be produced for the ceramic and other industries. Wide widths at shallow depth on the property would indicate low mining costs, Mr. Leslie said.

* * *

Ont. Gold Output Dips Slightly

Gold production in Ontario dropped off slightly in October this year when production from 30 mines amounted to $7,159,732 compared with a production value of $7,603,958 by 33 mines in the month last year, the **Department of Mines** reports.

The mines milled 754,191 tons of ore in the month containing 212,490 oz. of gold and 34,854 oz. of silver. The record for October, 1955, was 818,619 tons milled for a yield of 216,844 oz. of gold and 38,825 oz. of silver.

Average grade of ore in October this year was $9.49. Daily averages were 24,328 tons of ore milled, 6,854 oz. of gold and 1,124 oz. of silver recovered, and a value of $230,959.

* * *

Urge Fuel Board To Meet Shortage

Canada should have a fuel and energy board to help meet the world's fuel and energy shortage, J. H. Brockelbank, Saskatchewan Minister of Mineral Resources, says.

"The very real fuel problem in Europe is serious," Mr. Brockelbank believes. "We should be ready to help our European friends when they are in trouble."

Mr. Brockelbank also suggests an expansion of the scope of the Interdepartmental Committee on Energy, set up to work with the Dominion Coal Board and to study the relation of energy sources to the national economy.

* * *

Low-Level Adit Moves 7 Ft. Day

A new low-level adit at 2,519 ft. is being moved forward at a rate of 7 ft. daily on the Kamloops, B. C., copper property of **Makaoo Development Co.**, President Walter I. Nelson reports.

Objective of the adit ultimately is to cross-cut the Python ore zone at 1,600 ft. from the portal. The hanging wall of the Copper Head zone will be reached at about 800 ft. from the portal. Between the 600 and 800 ft. stations in the adit, two anomalies have been indicated, Mr. Nelson says.

The Copper Head zone is estimated to contain 248 tons per vertical foot averaging 2.06% copper.

ATLAS CHIBOUGAMAU MINES LTD. reports a discovery on its Chibougamau area property involving several shear zones exposed to surface. Company plans to drill one of the exposures. On the northern part of the property, the first phase of a drilling program is being completed.

Hint Tobacco Growers, Buyers Mend Their Ways

By JOHN P. MACLEAN

OTTAWA (Staff)—The Cigarette Tobacco Growers' and Buyers' Association in Ontario ought to mend its ways.

That's the not-so-gentle hint given by Justice Minister Garson this week as the results of a look into the association's operation by the Restrictive Trade Practices Commission.

Instead of the usual phrase at the end of the report — to the effect that the Minister will give it due consideration with a regard to possible prosecution — the report ended:

". . . (Mr. Garson is) confident the Association would review its arrangements in the light of the observations raised by the Commission and that the situation in this regard would be reviewed by the Department of Justice within a reasonable time."

To the surprise of no one in the industry, the three-man commission's report noted:

1. Not all tobacco growers in Ontario are members of the Flue-Cured Tobacco Marketing Association of Ontario — or allowed to be.

2. Tobacco growers on the outside looking in want to be on the inside looking out. Because,

3. They face the disadvantages of (a) not knowing for sure whether they'll be able to market their crop, (b) consequent hit-or-miss financial strength, (c) resultant lower values on their farms because of a lack of marketing rights.

No Personal Limit

But the commission also found non-members get a share of market stability, because association acreage is controlled, with no personal limit on acreage.

It decided that the association's operations:

—Impose the association's will on outside producers.

—Work against efficient use of farm land and the development of new farms.

—Keep acreage allotments rigid to the possible too-slow development of an increase in exports.

The commission, chaired by C. Rhodes Smith, with members A. S. Whiteley and Guy Roberge, reported that if regulation of all producers and buyers is thought necessary, the association ought to get proper government authorization.

Just what government or what legislative authorization wasn't spelled out by the commission, but it recommended consultation with the Farm Products Marketing Board of Ontario with a view to looking at what legislation might be needed.

Quebec, which grows tobacco, and the Federal Government, ought to be asked for views.

Flue-cured, or "Virginia" tobacco is what's used principally in Canadian cigarettes, 99% of it Canadian-grown.

In 1954, Ontario production was a record 168 million lb., 95% of the Canadian total. Three quarters of all production is consumed in Canada.

All Ontario buyers of tobacco — and there aren't many — belong to the growers' association. And the commission hinted strongly "growers' interests might be better served if only independent buying companies dealt with them."

Canadian tobacco exported has sold for less than U.S. and Southern Rhodesia tobacco, though quality is high. This made the commission wonder whether producers were ignoring the export market which in turn set a low price on their tobacco because of uncertain demand.

Delay may cost money!

Have your insurance reviewed before a loss occurs!

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Extra-rugged construction for tough jobs, choice of 19 wheelbases

Now you can have V-8 power in every Fargo model . . . Chrysler-engineered high-compression engines that give you top performance . . . extra power on regular gas. Or, you may choose Fargo's famous rugged L-head 6-cylinder engine. With either you get these big Fargo pluses—

Smart new *Forward* Look styling . . . new cab comfort with increased visibility . . . greater safety with constant-speed electric windshield wipers . . . new, bigger payload capacities . . . and dozens of rugged, additional features make these new Fargo trucks your best choice. Look over the new, complete Fargo line. You'll agree, these are the finest-performing Fargo trucks ever built.

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Big, powerful V-8 high-compression engines for every Fargo model. Advanced dome-shaped design of combustion chambers helps prevent power-robbing carbon deposits. Fuel burns more completely . . . you get full power on regular gas. Improved-design 6's also available.

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Popular Fargo Express models haul heavier cargoes, because of balanced weight distribution. Fargo models range from 5,000 to 46,000 lbs. G.V.W., up to 65,000 lbs. G.C.W. Choose yours now.

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Long or short hauls are easier, more comfortable in a Fargo truck. Even the seat-back adjusts to the most comfortable driving angle. Cool, long-wearing upholstery combines beauty with duty. Full wrap-around windshield and new full-width wrap-around rear window (*optional*) provide control-tower visibility.

Push-button driving
Proved-in-use push-button automatic transmission makes driving easier than ever. Available on ½-ton models; you just push a button and the shifting is automatic. Mechanically foolproof and trouble-free, only Chrysler-built trucks have it. Enjoy it now.

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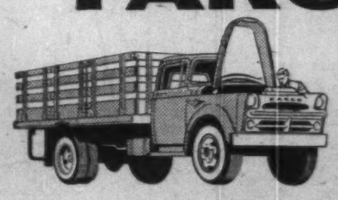
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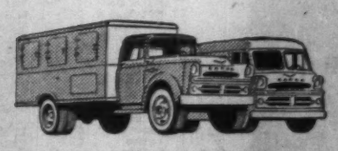
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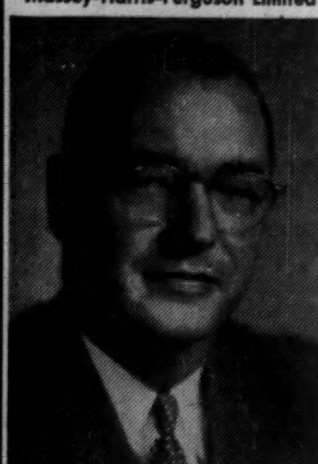


W. S. WOOD

M. F. Verity, Group Vice-President of Massey-Harris-Ferguson Limited, announces the appointment of W. S. Wood, as General Manager of the F. F. Barber Machinery Division of Massey-Harris-Ferguson Limited, in succession to L. M. Wiertz who retired recently after 36 years' service with the Company.

Joining F. F. Barber in 1947 as a Salesman, Mr. Wood in 1949 was made Manager of the Windsor Branch and in 1955 was appointed Assistant to the General Manager at Toronto.

MACASSA MINES LTD. reports gross value of bullion produced in October this year amounted to $158,599 from 12,417 tons milled. Value per ton milled was $12.77.

Cons. Regcourt Outlines Over Two Million Tons Ore

Consolidated Regcourt Mines has indicated more than two million tons of nickel-copper ore at its Kelly Lake area property in Blondeau township, Quebec.

A total of 16 holes drilled in the area of the main gossan showing on the 202-claim property together with drilling done by previous owners of the property have indicated:

—Initial estimate of 1.8 million tons of nickel-copper averaging 1.1% combined over an average true width of 24 ft. and to 500 ft. depth. Assays indicate equal ratios of nickel to copper.

—Additional reserves to a depth of 600 ft. as a result of three most recent holes which also indicated considerable improvement in width and grade.

—Work has been over an 1,100-ft. drilled length with the zone still open at both ends and at depth.

—In addition, precious metal values have been indicated including gold, silver, platinum, palladium, cobalt and selenium.

Regcourt plans a stepped-up drilling program with its three drills to probe the ore further at depth and along strike, P. D. Owen, general manager, told The Post.

Engineers have spotted 32 holes of which 17 will be relatively shallow. It is expected that this drilling program will be completed this month and the company hopes to start shaft-sinking early next year.

A three-compartment shaft is planned but location is not yet decided and will depend on results of current drilling. Sufficient funds are available to take development through shaft-sinking stage.

"The zone could extend to 1,000 ft. depth which could indicate reserves of three to four million tons," says Mr. Owen. "This is based on the average width of 24 ft. and a length of 1,100 ft. indicated before the latest drilling."

The zone is on an anomaly 1,500 to 1,800 ft. long. The gossan show on surface is about 500 ft. long.

"We are aiming for a mine tonnage of five million tons," Mr. Owen said.

"If we cannot extend reserves from present indications, we will consider a plant to handle 1,000 tons of ore daily. If we can extend reserves, we will likely plan for a 2,000-ton-daily mill.

"We hope to start production by 1958, assuming that underground development backs up our drilling from surface."

The latest three holes cut mineralization (pentlandite and chalcopyrite) at 600 ft. depths across widths of 30 ft., 36.5 ft., and 55 ft. Two holes have been assayed. One showed 1.67% combined nickel-copper across 36.5 ft., with a 22-ft. section of 2.01% and the other 55 ft. of 1.22% grade of which 41 ft. ran 1.55%.

In his estimates based on an earlier drilling, consulting engineer, W. P. McGill stated that "grade has been greatly influenced by lean sections near surface. Recent deeper holes have indicated continuity of widths and grade above that obtained at higher horizons.

"It would appear that over-all grade and tonnage will improve as tonnage is outlined below 400 ft."

Mr. McGill reports bulk samples have been taken for mill and metallurgical tests and estimates are being made of precious metal content.

Company officials have been exploring potential premium-price nickel markets in Europe and drawing up plans for drilling on other parts of the property where several anomalous areas have been indicated. About a half-mile to the northeast, five more gossan areas have been found and electromagnetic work has indicated three large anomalies.

SETTLERS' GOODS

Settlers' effects from 92 countries were brought into Canada in 1955. In dollar terms they were valued at $25,619,000, down from both 1953 and 1954 but approximately on a par with 1952. The values for individual countries in 1955 ranged from $75 for the Philippines to $15,623,000 for the U.S.

Taking Stock

What's going on in the mining and oil markets — the facts and rumors.

By RAY MAGLADRY

Gold stocks—fairly steady in the early stages of the present market declines—are showing signs of weakening. The recent rise in the premium on the Canadian dollar endangers the earnings of gold producers because of the pegged price at $35 per oz. U. S. funds.

Kerr Addison eases to $16¼ from a recent level of $18.25. **Aunor** slips back to $1.91 from $2.20 a few weeks ago, touching a new 1956 low of $1.80. **Lake Shore** is also off slightly at $2.90 compared with an early November price of $3.60. **Hollinger** sells down sharply on the week from $25¾ to $22⅞. Early November price of Hollinger was $26.25.

* * *

THE BUZZ IN BOARD ROOMS — has just about faded to a murmur. Although Canadian mine-making goes on apace, the news flow to the public and traders almost dries up. Sponsors of issues are reluctant to bring out information when markets are on the downside and buying enthusiasm low.

News coming out of promising mine developments fails to spark the issues concerned in recent sessions. **Copper Rand,** giving a good account of development on its big Chibougamau holdings, slips to a new low for the year at $4.50 from $5.

Consolidated Sudbury Basin, active in underground work and moving toward production next year at its zinc-lead, silver-gold property, drops back to $2.78, a new 1956 low, from $3.10. **Quebec Lithium,** with rising production and expansion plans, sells down to $8.25 from a recent price of $9.

* * *

Reported short-selling drive on **Consolidated Regcourt** appears to partially fail as the stock dips from $1 to 57c in heavy trading, then promptly climbs back to 87c. Supply turns out to be scarce at lower level, so short positions had to be covered at steadily rising prices. Stock later settles at 74c.

Coppercorp, announcing a rights offering, drops to a new low of 92c from $1.26, but recovers to $1. Basis of the offering is one share for each five shares held at $1 a share, extending until December 18.

Matthews & Co., a Toronto investment house, estimates possible earnings of **Bethlehem Copper Corp.** from production on its big Highland Valley, B.C., copper property. On the basis of a .70% grade and a copper price of 35c, Bethlehem's earnings might be around 76c a share. Profits are to be split 45%-55% between Bethlehem and **American Smelting & Refining** which is developing the property. Bethlehem stock holds at recent $1.85 level.

* * *

St. James Street is buzzing with rumors of possible changes in delisted **Aconic Mining.** These shares were removed from Canadian Stock Exchange trade in October 1955. Aconic had climbed from less than $4 early in 1955 to a top of $15⅝ before suspension and delisting.

Recently, Aconic has been trading at about $4.50 over-the-counter but surge of buying interest has carried price to $6.50-$7 in a week. Talk is of a special meeting being called involving a change in directors and possible "deals" for iron ore sands property.

* * *

ON THE "BLACK GOLD" FRONT—Western oil and gas issues, with a few exceptions, are showing a tendency to ease slightly. However, the group as a whole is holding its place as the market's best performers of recent sessions.

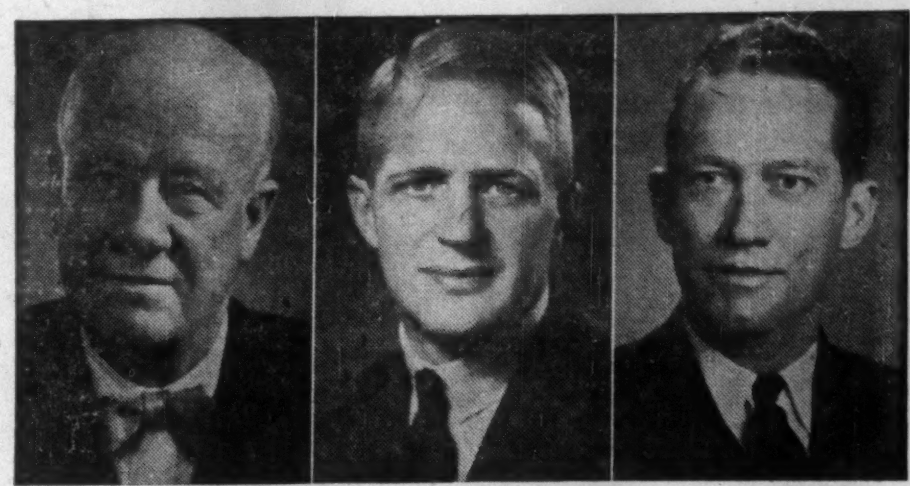
Shareholders of **Britalta Petroleums** approve acquisition of the one million outstanding shares of **Wilshire Oil Co. of Texas.** Basis is 1½ shares of Britalta for one share of Wilshire. Britalta is down at $2.25 from a recent price of $2.75.

Husky Oil & Refining reports four light-oil finds out of 17 wildcats drilled with partners so far in southeast Saskatchewan. Stock is firm at $12½.

Starts are planned on two exploratory well sites in Alberta by **Home Oil** and associates. Home Oil A at $12⅜ is up from a recent price of $12⅛.

ANNOUNCEMENT

Canadian General Transit Appointments



E. J. COSFORD C. H. DRURY A. C. MacDONALD

At a meeting of the Board of Directors, subsequent to the Annual Meeting of Canadian General Transit Company Limited, Montreal, the following appointments were announced: E. J. Cosford, Chairman of the Board; C. H. Drury, President and Managing Director; A. C. MacDonald, Vice-President.

Paint Sales Near $100 Mill. Mark

MONTREAL (Staff)—Sales of paint, varnishes and lacquers by Canadian producers in September at $9,360,380 were down 4.9% from sales of $9,848,150 in the corresponding month last year.

Because of heavier selling volumes earlier this year, however, total sales for the first nine months at $95,615,185 were up 5.7% over the first nine months of 1955.

Sales by Canadian producers normally account for 96% of total domestic production.

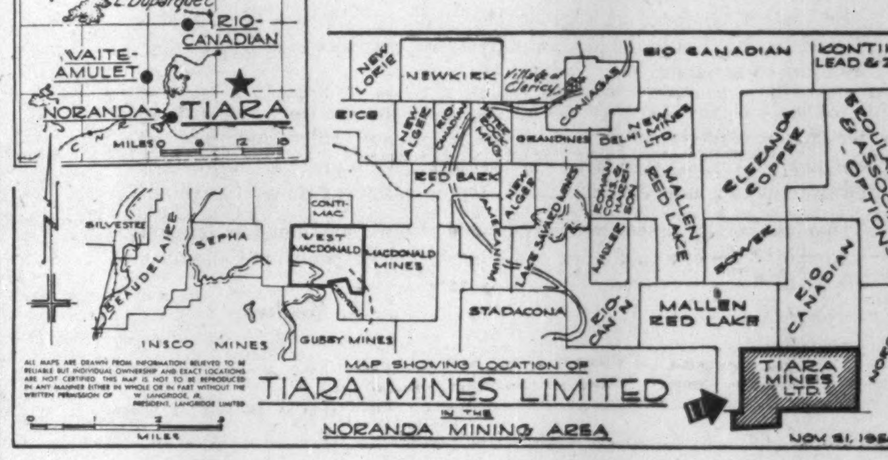
For the information of unregistered shareholders

TIARA

MINES LIMITED

Listed: Toronto Stock Exchange

Aggressive New Management
Accelerated Development Program



The Tiara Clericy property

Vigorous, capable new management and an accelerated program of exploration and development are announced by TIARA MINES LIMITED for its diversified holdings in several important mining areas.

SPECIAL ATTENTION is being directed to encouraging copper prospects on Tiara's property in the Clericy section of the Noranda area. This property adjoins the spectacularly successful Rio Tinto Mining Co. of Canada which has made the most outstanding copper discoveries in this very active area.

SURFACE WORK on this very favorably located group of claims is now well in hand.

DRILLING is scheduled to start within a very short time.

LITHIUM features high on the list of Tiara prospects, with an 800-acre group adjoining the producing Quebec Lithium Corporation property in the Lacorne area. Exploratory work on this property is scheduled for the very near future.

NICKEL-COPPER prospects are to be examined on a 36-claim group in the Kowkash Mining Division of Ontario held by Tiara through share control of Lenpan Mines Limited. Exploration will go forward as soon as possible on the basis of surface discovery of a copper-nickel bearing occurrence and an anomaly which may prove of value to Tiara.

NEW PROPERTIES are also being negotiated for by the Tiara management to further diversify holdings.

Shares, listed on the Toronto Stock Exchange, are currently selling at about 18c.

TIARA MINES LIMITED

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Suite 1402, 100 Adelaide St. W., Toronto, Canada.

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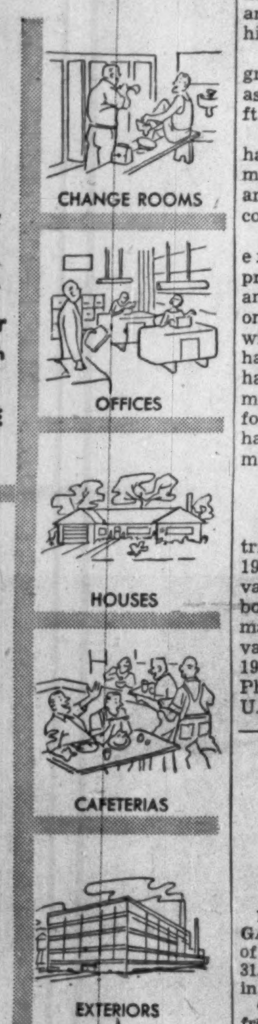

No need now for special shifts to paint offices, cafeterias, company housing projects or other buildings, either inside or outside, because of smelly, slow drying paint. Norplex is odourless and fast drying — can be brushed, rolled or sprayed — and, if necessary, painting can be done during normal work hours. Even in cafeterias regular service can be maintained while decorating.

Paint less often with Norplex, because Norplex if completely washable. 19 beautiful colors; all can be intermixed. Write for full particulars about this new wonder paint.

NOR-VAR **THE NORTHERN PAINT AND VARNISH CO. LIMITED**
OWEN SOUND • ONTARIO

Company Reports

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

Gas

MID-WESTERN INDUSTRIAL GAS, Edmonton, had a net profit of $74,145 in the year ended Aug. 31, 1956, up from a profit of $25,637 in the previous year.

Company completed a pipeline from Wabamun to Hinton and is about ready to take deliveries on a Redwater-Fort Saskatchewan line. Mid-Western acquired a 10-year contract to buy residue gas from the **Imperial Oil** Redwater absorption plant. It has been estimated that reserves in this field total 100 billion cu. ft. Proven reserves of the company in other fields total about 200 billion cu. ft.

Negotiations are presently being held with other companies with a view to increasing reserves, R. G. Campbell, president, reports.

Sherritt Gordon's gas take was 11% over the minimum guarantee of 2.8 million cu. ft. Negotiations are under way with **Calgary Power** to increase their gas take and **North Canadian Oils** has asked for a higher maximum take under its contract.

The Calgary Power and North Canadian Oils contracts come into effect late this year and no revenue is shown in the current report.

Only a small amount of development work was carried out resulting in two new gas wells. Negotiations are under way with a major oil company for a drilling program on a 5,120-acre block on the Wabamun Indian reserve.

INCOME ACCOUNT

Years Ended Aug. 31:	1956	1955
Gross gas sales	$364,236	$310,216
Net earnings	214,194	173,546
Add: Other income	......	5,098
Less: Deprec.	38,386	30,945
Interest	8,817	46,001
Well & lease costs w/o	92,846	74,602
Taxes	......	1,459
Net profit & surplus	74,145	25,637
Earnings per Share and Dividend Record:		
Earned	$0.03	$0.01
None paid.		

COND. CONSOL. BALANCE SHEET

As at Aug. 31:	1956	1955
Cash	$1,004,758	$455,293
Accts., etc., rec.	37,725	39,399
Total curr. assets	1,042,483	494,692
Prep. exps.§	46,514	9,840
Investments	19,320	7,800
Explor. dev., cost	......	1,015,490
Leases & wells†	2,574,477	1,190,144
Pipelinesǂ	1,868,961	368,734
Bldgs. & equip.‡	75,283	39,376
Other assets	108,592	18,909
Total assets	5,735,630	3,144,985
Total curr. liabs.	317,685	153,605
Funded debt	2,804,125	2,000,000
Capital stock	2,825,705	1,264,000
Less: Deficit	211,885	272,620
†After deprec. of	185,030	92,184
ǂAfter deprec. of	58,331	28,395
‡After deprec. of	15,580	8,015
§Included in curr. assets in co.'s report.		
Working capital	724,798	341,087

Oil

DEL RIO PRODUCERS, Calgary, had a net loss of $71,541 in the year ended July 31, 1956, up from a loss of $46,311 in the previous year.

In the Weyburn field, jointly held land of **Central Leduc** and Del Rio, a total of 29 oil wells had been readied for production. The field not delimited in any direction, the report says. Allowable production on these wells is about 62,000 bbls. monthly.

At the beginning of November, there were 63 oil wells capable of production and 14 locations and drilling wells on holdings of **Minerals Ltd.** Central Leduc and Del Rio own jointly 50% of the issued stock in Minerals Ltd. which in turn owns 20% of the minerals under its more than 750,000 acres in southeastern Saskatchewan.

Del Rio reduced net acreage holdings in British Columbia, Manitoba and Saskatchewan and interests were unchanged in Alberta, Montana and Wyoming. Holdings were increased in North Dakota.

INCOME ACCOUNT

Years Ended July 31:	1956	1955
Prod'n rev.	$115,119	$129,004
Add: Misc. inc.	20	19
Less: Deprec.	57,216	29,347
Interest	9,890	1,719
Fin. exps.	......	14,692
Gen. admin. exp.	119,574	129,576
Net loss & deficit	71,541	46,311

CONDENSED BALANCE SHEET

As at July 31:	1956	1955
Cash	$678,377	$172,802
Accts. rec.	2,924	2,500
Mkt. securities†	24,000	......
Total curr. assets	705,301	175,302
Lands leases, agree.	1,111,986	1,053,654
Invest. assoc. co.	33,750	33,750
Well invest. a/c	1,521,819	978,021
Other invest. a/c	22,500	22,500
Organ. exp.	5,265	4,443
Plant & equip.*	134,418	69,376
Total assets	3,535,039	2,337,046
Bank loan	480,000	......
Accts. pay.	302,633	15,598
Total curr. liab.	782,638	15,598
Funded debt	......	250,000
Capital stock	2,994,500	2,242,000
Deficit	242,094	170,552
†Market value	24,000	......
*After depr. of	161,018	103,802
Working capital	ǂ77,332	159,704
ǂExcess of curr. liab. over curr. assets.		

CENTRAL LEDUC OILS, Calgary, had a net profit of $5,230 in the year ended July 31, compared with a net loss of $63,911 in the previous year.

Operations of the production department and of **Central Leduc Drilling Co.,** continued profitable.

The company has graduated from the status of an exploration company with a major land spread into a successful producing oil firm, Neil McQueen, president, states.

CONS. INCOME ACCOUNT

Years Ended July 31:	1956	1955
Net prod. rev.	$274,584	$264,128
Net drill. rev.	132,978	63,128
Other rev.	88,622	104,433
Total net rev.	496,184	431,689
Less: Admin. & gen. exp.	248,241	249,102
Debent. int.	81,697	83,639
Depreciation	106,518	90,294
Amortization	54,498	72,565
Net profit	5,230	*63,911
*Loss or deficit.		

CONDENSED CONS. BALANCE SHEET

As at July 31:	1956	1955
Cash	$678,340	$278,754
Accts. rec.	376,730	98,402
Mkt. sec.ǂ	43,000	223,000
Drill. contr. in prog.	21,992	86,148
Inventories	290,556	134,021
Total curr. assets	1,410,617	820,323
Prepd. exp.△	24,794	23,543
Invests.	27,500	27,500
Deferred chgs.	58,609	66,589
Wells invest.†	1,372,272	885,381
Lands & leases	1,170,815	1,185,223
Adv. to affil. co.	28,750	[illegible]
Plant & equip.*	286,459	[illegible]
Total assets	4,379,816	[illegible]
Bank loan	480,000	......
Accts., etc., pay.	331,361	90,825
Debent. int.	41,748	[illegible]
Total curr. liab.	753,239	[illegible]
Debentures	1,587,000	[illegible]
Capital stock	1,713,203	[illegible]
Surplus	326,284	261,421
ǂMarket value	43,000	294,875
†After amort. of	776,114	721,615
*After depr. of	709,523	607,876
△Incl. in curr. assets in co.'s report.		
Working capital	657,288	[illegible]

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Oilmen have an axiom that the only way to find oil is to drill for it. The rigs of Cascade Drilling Ltd. play a leading part in this exciting business . . . both in developing known fields and in discovering the new ones that only drilling will uncover.

CASCADE DRILLING COMPANY LIMITED

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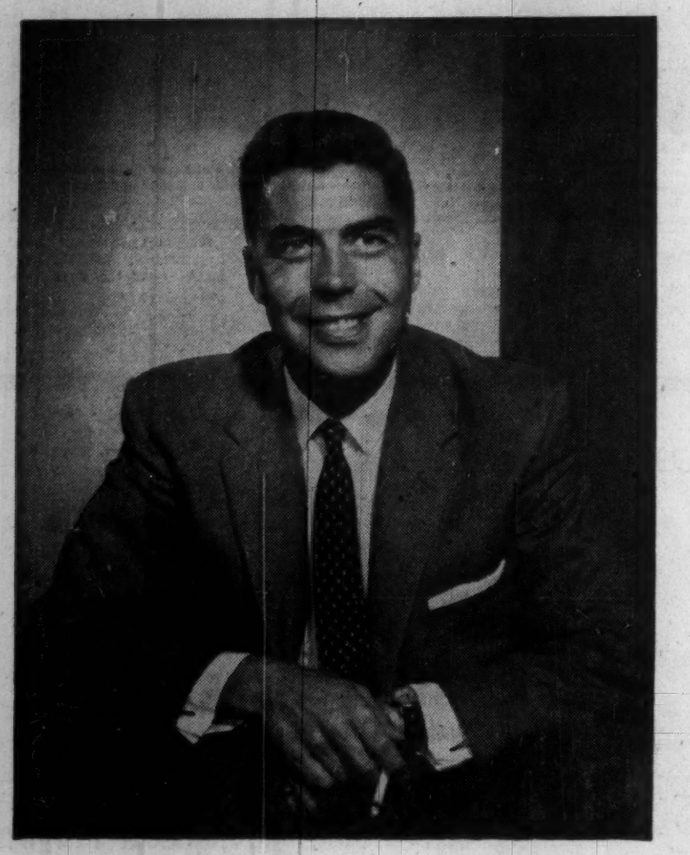
CALGARY ALBERTA

These editors know the value of Weekend's readership

Portraits by Karsh

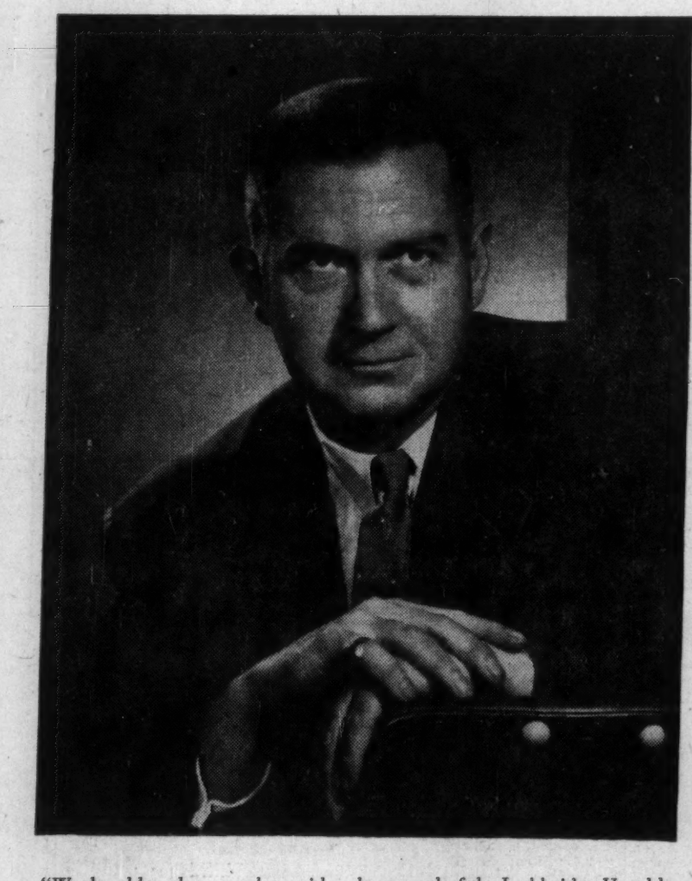


"Interest in Weekend as part of The Sudbury Star has been underscored by our circulation gains among New Canadians as well as earlier established residents.

"We have found that success in developing the newcomer as a daily newspaper reader is in ratio to his interest in, and understanding of the country. Weekend speeds up this process. We know its ten-province flavor is a factor in the immigrant's appreciation of things Canadian.

"This has been summed up neatly by one of our New Canadian readers who said: 'Weekend is a book of Canada; it shows me what Canadians are like.'"

J. R. Meakes
Editor
The Sudbury Star
Sudbury, Ont.



"Weekend has done much to widen the appeal of the Lethbridge Herald. Encouraging as it does an interest in Canadian history, culture, folklore and entertainment it has done much to help eliminate our dependence on the United States and to further our knowledge of what Canada has to offer and what makes it tick. Any weekend magazine with such a widespread guaranteed national circulation cannot help but have tremendous influence on the habits and interests of its readers."

H. P. Buchanan
President
Lethbridge Herald
Lethbridge, Alberta

"Vancouver Sun readers accept Weekend with sincere pride. Heart to heart talks with our subscribers reveal they are proud of the excellent printing of Weekend.

"As an editor, I am convinced that Weekend is a first rate publication. It reaches across Canada from border to border and justifies its reputation as our number one Canadian publication, doing the most for most Canadians."

H. L. Straight
Managing Editor
The Vancouver Sun
Vancouver, B.C.

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EDMONTON *Journal*
FORT WILLIAM *Daily Times-Journal*
HAMILTON *Spectator*
KINGSTON *Whig-Standard*
KIRKLAND LAKE *Northern Daily News*
LETHBRIDGE *Herald*
LONDON *Free Press*
MEDICINE HAT *News*
MONCTON *Times and Transcript*
MONTREAL *Star*
MOOSE JAW *Times-Herald*
OTTAWA *Citizen*
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SAINT JOHN *Telegraph-Journal and Evening Times-Globe*
ST. JOHN'S, NFLD. *Evening Telegram*
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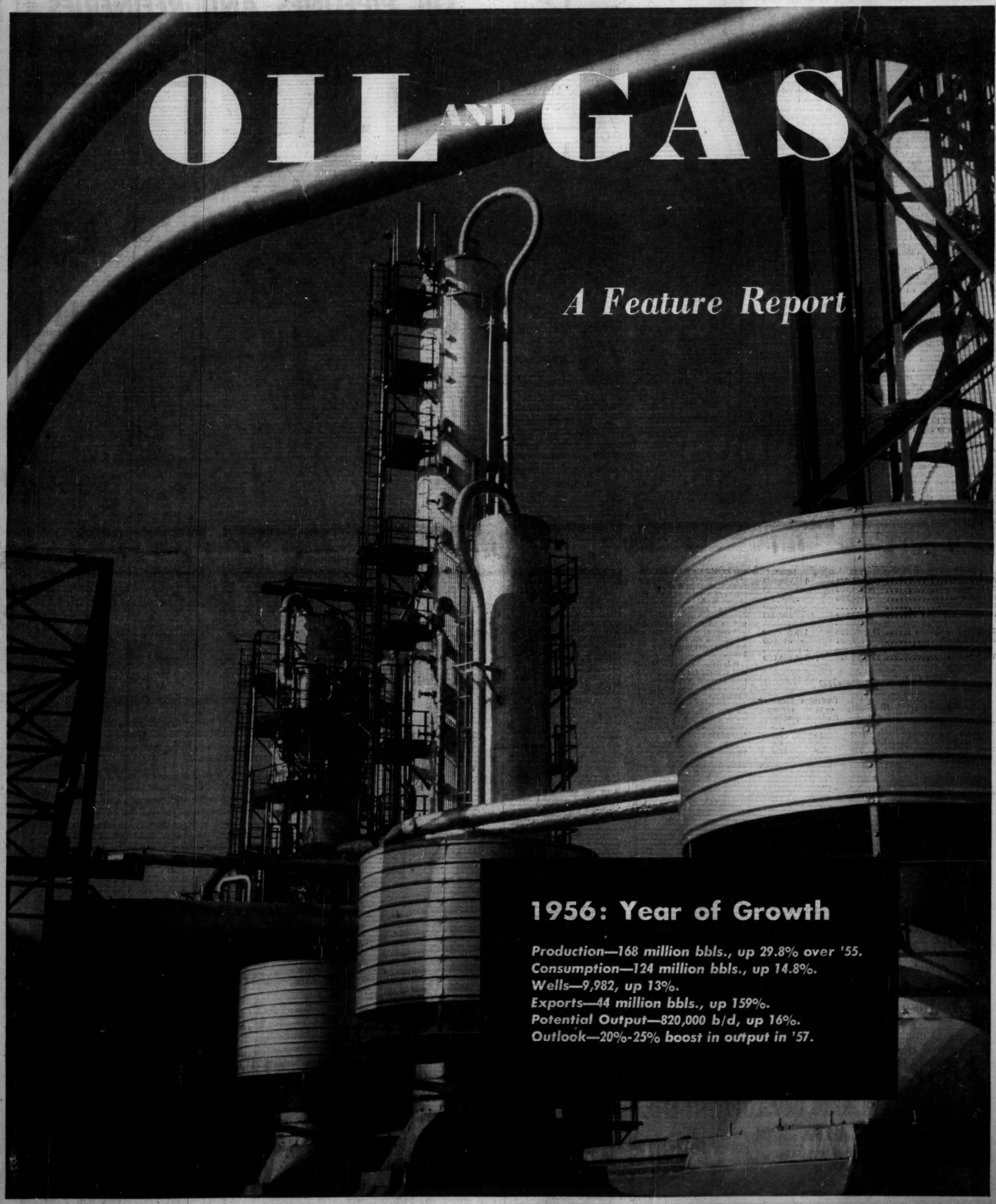
OIL AND GAS

A Feature Report



1956: Year of Growth

Production—168 million bbls., up 29.8% over '55.
Consumption—124 million bbls., up 14.8%.
Wells—9,982, up 13%.
Exports—44 million bbls., up 159%.
Potential Output—820,000 b/d, up 16%.
Outlook—20%-25% boost in output in '57.

New Boom in View, Predict Confident Oilmen

There's a new air of expectancy throughout the Canadian oil industry these days; a feeling that events could lead to a new boom for the industry.

Even top oil experts who usually shy away from predictions are for once coming out on a pretty unsupported limb:

"We're not just sure how, but we feel that Canada's oil industry is going to come out of all this in a much stronger world position."

This statement from the marketing head of one of the "big five" companies in the domestic refining picture pretty well indicates the views of the industry.

They have Suez in mind, and the close to one million barrels-a-day oil shortage caused in Western Europe. Out of the rearrangement of tanker runs and oil supply sources to replace some of this deficit, they see some important benefits for Canadian oil.

Here are a few of them:

- A good deal more Canadian oil will go to the big California market releasing extra tanker space, extra Venezuelan oil, for Europe. The pickup has started already with requests for a 36,000 b/d delivery in December.
- The Middle East upset and the oil shortage produced could be the final nudge that boosts world crude oil and gasoline prices higher.
- The big international oil companies are now going to place a bigger pile of exploration chips on Western Canada's quiet, politically safe, 770,000 square miles of potential oil lands.

Lesser possibilities:

- The last Canadian refinery west of Montreal now operating on imported U. S. crude — the 15,000-18,000 b/d Sarnia operation of **Sun Oil Co.**—may switch over to use of Canadian oil.
- There could be some crude oil shipments to Japan out of Vancouver.

Other developments:

- The present situation has increased the pressure, mainly from a group of independent western oil producers, for an early start on an extension of the Interprovincial oil pipeline on to Montreal and the big 225,000 b/d refinery market there, now all served with imported crude.
- Until recently 30,000-40,000 b/d of Middle East oil has been moving into the Montreal market. This will be virtually all cut off in the present emergency. Four of the major refining companies whose affiliates operate oil fields in Venezuela or U. S. will have no great difficulty in maintaining their supply lines. But **Canadian Petrofina Ltd.** which has been operating entirely on Middle East crude might have been experiencing some difficulty in arranging for other supplies at attractive prices.

On The West Coast

Starting in January the 750-mile, Edmonton-to-Vancouver **Trans Mountain** oil pipeline will be jumped to capacity throughput rate. Every additional barrel of oil the line can carry over and above Vancouver and Washington state refinery requirements will go to offshore shipments, almost all of it to California. Based on first quarter estimates, this could mean a healthy 35,000-50,000 b/d tanker export market for Western Canadian oil (for the first nine months of 1956 it just averaged 14,000 b/d).

By early summer when additional pumping capacity is installed pipeline movement will be boosted a further 15,000-20,000 b/d. There's no doubt the export to California would be considerably greater over the next few months if Trans Mountain had the capacity. How long this offshore market lasts will depend primarily on how long the oil squeeze lasts in Western Europe. Although current high tanker rates have helped make Canadian crude virtually competitive in California anyway, the big importing companies with heavy foreign oil interests have up to now preferred to draw bulk of their supplies from abroad. Up to now shipments out of Vancouver have been on a spot basis and dependent on tanker back hauls. In majority of cases the tankers have delivered refined products to Alaskan points and have stopped at Vancouver to pick up the Canadian crude on the way back.

Pipeline to Montreal?

Because of a rising record of success in wildcatting across the prairies and a stepped-up development program, oil reserves are expanding at a rapid pace. This has tended to speed up the widening gap between production and ability to produce. An early start on the extension of the **Interprovincial** oil pipeline down to Montreal and the big 225,000 b/d refinery market there is being urged as the only logical answer to this problem.

This whole Montreal move is very controversial among the industry. Although the extension could help solve the marketing problems for a few years, it could be done only by means of a wellhead price cut in the West. And once the pipeline reached Montreal, Canada's whole western oil picture would be tied closely into competition with imported Venezuelan oil and would be forced to meet their laid down prices.

It is unlikely that the Montreal refiners are yet ready to negotiate the guaranteed oil throughputs necessary to finance the 350-mile extension. Permanent disruption in Middle East oil supplies and/or a major world hike in crude oil price could, of course, radically change the outlook.

Japan, in the middle of a vigorous industrial expansion program, imports virtually all of its crude, most of it from the Middle and Far East. Even before the present need for rearranging oil supply lines, trade missions have expressed keen interest in Canadian oil. The first tanker shipment went to Japan in September. Although there is a likelihood of some more business with Japan, oil marketers are not looking on this as a logical outlet for Canadian crude even under the present emergency conditions.

But many top oil men feel it is wishful thinking on the part of Canadians to expect much of a permanent nature out of the present emergency. Canadian oil with only a western exit to tidewater is too remote from shipping facilities to enter directly into the European oil shuttle.

It must be kept in mind — they say — that the Middle East is still the logical supply area for Western Europe; that the big international oil companies have invested millions of dollars there. In the complicated economics of the world oil producing and marketing organizations, it is more profitable to market in Europe, parts of Asia and North America from the small, but heavily producing fields in the Middle East — even if wellhead net back is less than half what it is on this continent — than from heavily allocated North American fields.

Sky-rocketing tanker rates and the whole political outlook in the Middle East have, of course, clouded the picture in the last few weeks.

"But we can't afford to look and plan on this as anything more than an abnormal situation that could be cleared up in several months," a top Imperial Oil marketing official told The Post this week.

Canada's Potential

Actually the exciting marketing glimpse provided by Suez is not diverting Canada's oil planners away from the potential of their own backyard; the booming Canadian market where oil consumption is rising at a 10%-a-year clip (only 4-5% in U. S.); the expanding export outlets in the U. S. Pacific Northwest, the mid-northern U. S. states and the tantalizing California market which boosted our total exports about 150% this year.

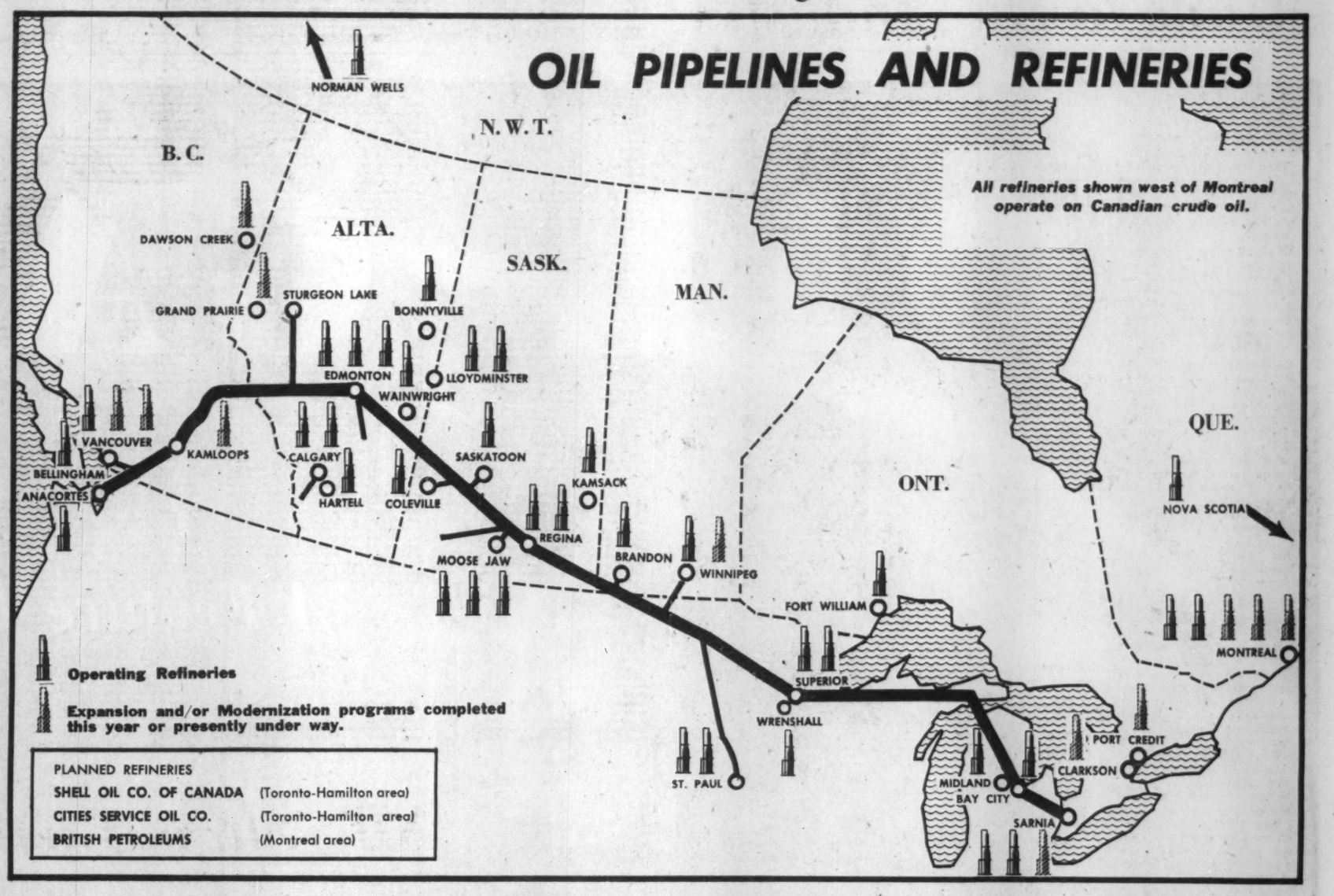
Altogether, these markets swallowed 30% more Canadian oil this year than last; and last year had shown about the same gain over 1954. From an average annual output of 265,000 b/d in 1954 to around 465,000 b/d this year — a 75% jump in two years; that's quite a record; and the marketing experts see a good chance of as big a gain again next year.

But there's no doubt that the exciting story of the Canadian oil play that has spread across four provinces and into the Northwest Territories, and has progressively boosted oil reserves to the present proven figure of around 4 billion bbl. level, has shadowed the phenomenal developments on the marketing front.

The wildcatting and development pace reached a new peak this summer and already some people have started voicing concern over the "lag" in marketing growth. They are making gloomy predictions about the widening gap between producibility of Canada's oilfields and actual production. If not checked soon by acquisition of sizable new marketing outlets, they see this trend starting to dry up the flow of new exploration capital within the industry. These people are urging an immediate planning start on the long-argued Interprovincial pipeline extension to the big Montreal refining market.

Actually Canada's producibility is now placed at around 1 million b/d. Against this we're producing at a 485,000 b/d rate now. The spread is a little wider than last year, reflecting a year of excellent wildcatting success, particularly in southeastern Saskatchewan and a big development program in the fast-spreading Pembina oilfield in Alberta. The gap will, in all probability, be greater next year. Some oil people are now forecasting a

(Continued on page 48)



Oil Today

(Bbls.)	1955	1956*
Alberta	113,035,046	142,900,000
Saskatchewan	11,316,905	18,800,000
Manitoba	4,144,766	5,700,000
British Columbia	.....	100,000
Northwest Territories	404,219	500,000
Total Western Canada	128,900,936	168,000,000
Eastern Canada	537,491	600,000
Total Canada	129,438,427	168,600,000

*Estimate.

Oil Tomorrow

	Production b/d	Producibility b/d	Production as % of Producibility	Reserves millions of Bbls.
1955 ...	352,000	655,000	54	3.0
1956 ...	465,000	820,000	56	4.0
1960 ...	605,000	1,380,000	44	6.6
1980 ...	3,000,000	3,800,000	79	17.4

The company is engaged in the exploration for and the development of petroleum and natural gas properties in Western Canada as well as the development of uranium properties in the Beaverlodge area of Saskatchewan and Algoma County, Blind River, Ontario. The shares of the company are listed on the Calgary and Edmonton Stock Exchanges. Further information may be obtained from the head office of the company.

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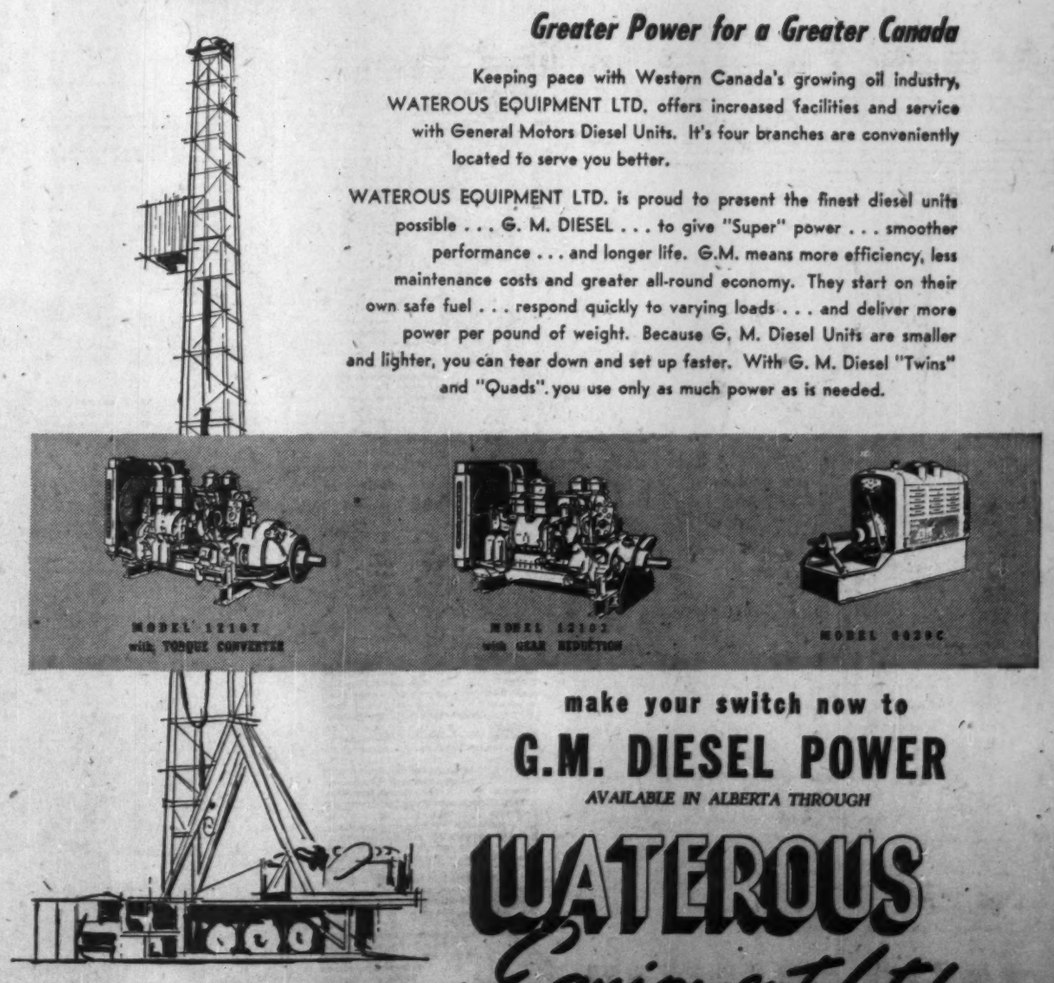

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What Suez Oil Shuffle Means to Our Industry

A round-the-world reshuffle of oil-supply and shipping routes is going forward. The end picture isn't clear yet and no one knows how long the changes will remain in effect.

However, it is apparent that:

- When Egyptian blockships and Arab saboteurs closed the Suez Canal and cut the main Middle East pipelines, they struck at the hearts of a score of nations.
- Of all the world's highly industrialized nations, Canada will probably be one of those affected least by the Middle East oil cutoffs. Canada's oil industry will likely gain, other exports lose if Europe must spend dollars for oil.

Western Europe and the United Kingdom produce about 5% of their own oil requirements. More than 80% of their supply has been coming from the Middle East through the Suez Canal or by pipelines to Eastern Mediterranean ports. The canal carried tankers with about 1.5 million b/d; the various pipelines carried 820,000 b/d. Intact pipeline capacity is now only about 320,000 b/d.

These are the questions oil and shipping men are asking, and trying to answer:

The Questions

1. How will Western Europe and the U. K. be supplied with oil? How much will they need and for how long?
2. How long will it take to re-open the canal and repair the pipelines? Will there be any denial of oil to the United Kingdom and France because of their intervention in Egypt?
3. What will be the effects of the Middle East cutoffs on the world's cargo-shipping timetables? It's certain that the repercussions will be far-reaching. One effect so far is that South African ports are congested with ships taking the long haul around the Cape of Good Hope.

So many of the questions depend on political developments that it's impossible to do more than speculate on the answers. But here's some of the data that's being used to try to work out the answers:

Britain and Europe have been taking 2.1 million b/d from the Middle East. This total came from:

(1) Pipelines from Iraq to Mediterranean ports, now cut, carrying 500,000 b/d;

(2) A pipeline from Saudi Arabia to the Mediterranean carrying 320,000 b/d which now may not supply British and French ships under orders issued by Saudi Arabia;

(3) Tankers carrying 1.25 million b/d (of the total of 1.5 million carried) through the Suez Canal.

Canal Tankers

The canal tankers carried 70% of the British and 40% of the French crude oil imports in 1955, the French taking more oil from the Mediterranean terminal of the pipelines.

To what extent does oil supply the heating and motive power of the economies of the Western European countries? Here are some figures from a 1955 United Nations report:

In 1929 France obtained only 4% of her heat and motive power from oil; in 1953, this had risen to 17%. Belgium and Luxembourg in the same period raised the percentage from one to 12; Western Germany from one to five; Ireland from five to 21; Italy from six to 27; the Netherlands from seven to 20; Norway from six to 28; Portugal from nine to 36; Sweden from six to 38; Switzerland from seven to 26 and the United Kingdom from five to 11.

And these percentages have become higher in the last three years. More and more, oil is the fuel keeping the wheels of industry humming.

What will be the effect of the present oil cutoffs on the economies of the United Kingdom and the countries of Europe?

Without oil, certainly, the industries on which Britain, France and their neighbors depend for economic survival will slow down. The London Times estimates that if the Middle East situation returns to normal within six months, with oil and other traffic moving easily again, the cost to Britain will still be £120-£150 million, "an uncomfortable prospect" when the gold and dollar reserves are down to $2.24 billion and have been dropping at the rate of $100 million a month.

Oil Flows Again

And, of course, it's entirely possible that restoration of the oil flow may take more than six months.

The importance of the Middle East fields is underlined by the growing dependence of the Western world on oil and the fact that fields contain about two thirds of the proved oil reserves of the world outside the communist orbit.

The U. S. is by far the largest producer, with well over seven million b/d. But it's estimated that nearly 50% of the oil reserves of the U. S. have been used up. And only 7% of the Middle East oil reserves have been used.

The Future

Probably what will happen is this: Oil production in the Western Hemisphere will be stepped up 750,000 to 800,000 b/d. About half of this will replace Middle East oil brought to this hemisphere. The balance will be shipped to Europe. In addition, all possible tanker capacity will be employed to bring oil around the Cape of Good Hope.

The effects of the Middle East oil cutoffs on the Canadian oil industry are—like the effects on the rest of the world—still hazy. It's possible that Canada's oil industry will come out of the situation in a stronger world position.

Canada's Role

In 1946, we produced only 7% of our oil requirements; now we produced over 60% of the 485,000 b/d we use. Most of the balance comes from Venezuela; we have been getting about 30,000-40,000 b/d from the Middle East. Here are the likely effects on Canada of the Middle East cutoffs, as seen by Canadian oil industry officials:

—Elimination of our Middle Eastern supply sources. This is not important in the over-all picture, since the amount taken was so small.

—Shipment of more Canadian oil to the California market, to release tanker space for the European hauls.

—Some possible crude oil shipments to Japan out of Vancouver; possibly some refined products shipments from Montreal to Western Europe.

—More exploration on Canada's 750,000 "quiet" square miles of potential oil lands.

—Possible in fact, probable, higher prices.

One great difficulty seen by Western observers is that, in order to support President Nasser, some of the Middle Eastern countries will be ready to "cut off their noses to spite their faces."

Saudi Arabia draws 45% to 60% of her national income from oil and Britain and France are her best customers. If the sheikdom of Kuwait should impose restrictions, it would be tinkering with the source of 90% of its income.

Killed the Goose

Yet, it is remembered, Mohammed Mossadegh was willing to kill Iran's golden goose in 1951 and, although he was subsequently overthrown, his action in nationalizing the **Anglo-Iranian Oil Co.** deprived the West of Iranian oil for more than two years. The Iranian story indicates that when nationalist feelings become extreme, people in the Middle East would rather go back to eating dates than bow to foreign pressures.

Cadillacs, food freezers, air-conditioned harems and other benefits of oil royalties have never reached the masses anyway.

It's certain, no matter how the situation develops, that the rearrangement of oil supplies will impose drains on the economies of Western Europe. One calculation says that the delivered price of Persian Gulf oil in Northwest Europe will rise from $3.08 a bbl. to $3.81 for oil moved around Africa. Western Hemisphere crude could be delivered in Northwest Europe at $3.70 from Gulf ports in the U. S. and $3.50 from Venezuela.

Dollar Drain

The additional dollar drain involved in the purchase of Western Hemisphere crude may be $400 million annually. And this calculation assumes that a good portion of the flow through the pipelines is maintained. If this flow were entirely eliminated, the calculation suggests an additional dollar cost to Europe of $1.2 billion a year — assuming that the Western Hemisphere could make the needed supplies available.

This, of course, is a short-term calculation. In the long term, the West can't get along without Middle East oil — and grow industrially in the way that it is now doing.

The shipping picture is a similarly tangled one. Most ocean shipping rates have been boosted. London shipping sources say the canal closing has brought out a big unsatisfied demand for tramp shipping which affects world trade both in commodities and manufactured goods.

NW Ships Gas-Made Fertilizer

From Our Own Correspondent

MEDICINE HAT — **Northwest Nitro-Chemicals Ltd.** of Medicine Hat today shipped its first carload of nitrocubes, the official name for its new ammonium nitrate fertilizers. One of the basic raw materials used in fertilizer output is natural gas.

The CPR-loaded car is moving to the Washington Co-op Farmers Association in Seattle.

The first carload shipment of fertilizer produced on Northwest's smart new $21,500,000 plant here was sold through international firm of **Harrisons and Crosfield.**

Officials here today said other units of the plant are coming on stream and shipments of phosphate fertilizers will begin moving from the plant within the next 10 days.

Contracts for the sale of the first carload were made through the Seattle, Wash., office of Harrisons and Crosfield.

Other outlets in the Prairie Provinces which handle the sale of the ammonium nitrate and phosphate fertilizers include: **Canada Packers, Alberta Pacific Grain, Federal Grain Co., Pioneer Grain Co.** and **United Grain Growers.**

Northwest, which is managed and operated by **Commercial Solvents Corp.** of New York, employs 300 Medicine Hatters and is the biggest individual enterprise in the city's history.

Northwest has an annual output of 140,000 tons of ammonium nitrate and phosphate fertilizers.

Company Progress

REFINERIES			
Anglo-Amer.	53	Northern Petrol.	52
Anglo-Can.	53	North Star	53
Bonnyville	52	Petroleum Fuels	53
British-Amer.	52	Radio Oil	52
Consum. Co-Op	52	Regent Refining	52
Can. Oil Cos.	52	Royalite Oil	53
Can. Petrofina	52	Shell Oil	53
Excelsior Oil	52	Standard Oil of B. C.	53
Husky Oil	52	Sun Oil	53
Imperial Oil	52	Wainwright Pro.	53
McColl-Front.	52	X-L Refineries	53
New Brunswick	53		
OIL PIPELINES			
Interprovincial	53	Saskatoon	54
Peace River	54	Trans Mountain	54
Pembina	54	Trans Prairie	54
GAS-PIPELINES			
Tennesee Gas	64	Westcoast Trans.	63
Trans Canada	64		
GAS DISTRIBUTORS			
Ajax	65	Inland Natural	65
B. C. Power	65	Lakeland	66
Can. Hydrocbns	65	Mid Western	66
Can. Propane	65	Northwest Util.	66
Can. Western	65	Sask. Power	66
Consumers	65	United Fuel	66
Great Northern	65	Union Gas	66
Intl. Utilities	65	Winnipeg Cent.	66
Interprov. Util.	65		
OIL DEVELOPMENT			
Alta. Pac. Cons.	55	Great Plains	73
Altex	55	Gt Swt Grass	74
Am. Leduc	55	Gridoil Freehold	74
Amurex Oil	55	High Crest Oils	74
Angl American	55	H'wood - Sarcee	74
Banff Oil	55	Hi-Tower Dril'g	74
Bata Petroleums	55	Home Oil	74
Bailey Selburn	55	Jupiter Oils	75
Bralsaman Pet.	55	Kroy Oil	75
Britalta Pet.	56	Leduc Calmar	75
Calalta	56	Liberal Petrol.	75
Canadusa	56	Marigold Petrol.	75
Calvan Cons.	56	Medallion Pet.	75
Canada Oil	56	Merrill Petrol.	75
Can. Admiral	56	Midcon Oil	76
Can. Anaconda	56	Mill City Pete.	76
Can. Atlantic	56	National Petrol.	76
Can. Delhi	57	New Bristol Oils	76
Can. Brit. Emp.	57	New Brit. Dom.	76
Can. Devonian	57	North Canadian	76
Can. Export Gas	57	New Continental	76
Can. Homestead	57	New Chamberl'n	76
Can. Pipelines	57	New Davies	77
Can. Prospect	58	New Gas Expl.	77
Can. Superior	58	New Superior	77
Can. Williston	58	Nuco Pete	77
Calgary & Edm.	58	Okalta	77
Canso Nat. Gas	58	Pac. Petes.	77
Canso Southern	58	Pan Western	77
Canso Oil	59	Peace River	77
Central Leduc	58	Parker Drilling	78
Central Explor.	59	Provo Gas Prod.	78
Charter Oil	59	Sapphire Petrol.	78
C'wealth Pet.	59	Scurry-Rainbow	78
Cons. Allenbee	59	Trans Empire	78
Cons. East Crest	59	Triad Oil	78
Cons. Mic Mac	59	United Oils	78
Cons. West Pet.	59	Vulcan Oils	78
Cree Oil	73	W'nwright Prod.	78
Del Rio	73	Western Decalta	78
Devon-Palmer	73	Western Leaseholds	78
Dome Explor.	73	Westburne Oil	78
Dom. Minerals	73	Yankee Canuck	78
Fargo Oils	73		
Gen. Petrol.	73		

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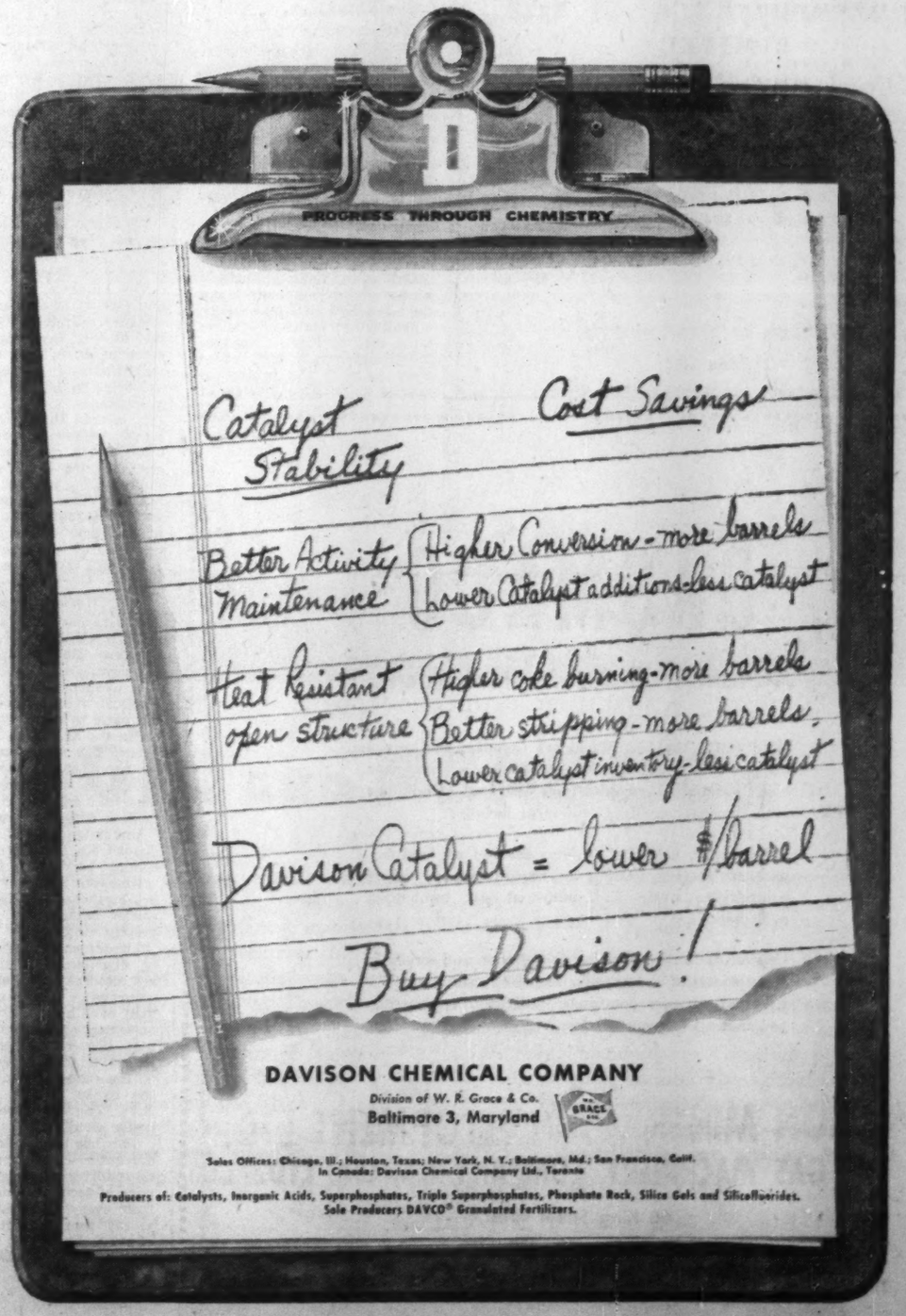

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Oil Boom on the Way

(Continued from page 46)

production potential of around 1.4 million b/d by next year end. Against that, estimate of average output for 1957 ranges from 550,000 to 600,000 b/d.

But this widening gap is seen as practically inevitable with the greatly improved fund of geological knowledge being built up in this country and the speeded-up exploration and development tempo. It is the normal sign of a maturing industry.

Certainly a close look at the exploration and development activity across the four western provinces doesn't indicate too much concern over the future marketing outlook — increasing expenditure on geophysical work which has ranged over a wider area than ever before; rising total of land payments at auction of Crown leases; peak exploratory and development drilling, after a slight lag in 1955. At the moment, a record number of drilling crews are just awaiting freeze-up to hop off to the more inaccessible muskeg areas of northern Alberta and B.C.

Risk Capital Factors

When the major oil companies sit down before a world map to budget for next year's exploratory expenditures, many factors are taken into consideration. A lot of "balancing off" of one factor against another takes place.

For instance the more attractive "finding" areas for oil might provide poorer net back to the producer over the long term. A record of stable government, more easily defensible oil reserves, a just, well-regulated system of conservation laws, are all factors that can go a long way in offsetting the disadvantage of longer pay-off periods for producing fields.

Today Western Canada offers all these inducements to oil risk capital:

- A high finding rate. In the 229 wildcat wells drilled in the first nine months of this year in Alberta the success ratio was one to 3½.
- One of the largest areas of known potential oil lands in the world, some 770,000 square miles stretching from the western section of Manitoba in a widening spread across the southern half of Saskatchewan, taking in close to two thirds of Alberta and swinging in a narrowing spread northward to the northern half of B.C. and part of the Northwest Territories. In relation to the amount of exploration work done on potential oil lands in U.S. not much more than 5% of this vast area has been tested.
- An excellent transcontinental "big inch" pipeline system serving markets stretching from Vancouver — and tidewater — eastward across Canada to Sarnia (next year will be extended to Toronto's western suburbs).
- A second-to-none system of conservation regulations and a just production allocation record built up from all the best in other systems in the world.
- An enviable record of stable government and international relations.
- Steadily expanding marketing outlets provided by the record industrial expansion pace in this country and the sharply rising trend in standard of living (Canadian consumers are now driving two and a half times as many motor vehicles as at the end of the war; approximately four times as many of their homes are being heated by oil). A strongly established market position in one of the fastest growing industrial sections of U.S., the Pacific Northwest states.
- Relatively low to medium price exploration and development costs.

This impressive list of inducements led to estimated expenditures of close to $1.5 million a day this year on combined exploration, development and transportation programs in this country. Right now it looks as if this record could be topped next year.

The Year's Highlights

But just what have been the main highlights in the oil industry over the past year? Here are several developments that are expected to have a big impact on the future oil picture across Canada:

- The phenomenal wildcat success in a relatively small section of southeastern Saskatchewan where oil experts now estimate reserves of close to 1 billion bbl. have been indicated. Close to half of the drilling rigs in operation in Western Canada were located in this section last month. There is no doubt that this area stretching from the Manitoba border to Weyburn carried off the honors for the hottest search area of Canada for 1956.
- Development in Canada's No. 1 oilfield—Pembina—rose to a new peak this year. Some 900 wells have been drilled, bringing total to around 1,400. It is estimated that this still spreading field will take some 5,000 development wells. Right now one of the most unique water injection projects ever carried out on the continent is being planned to boost over-all recovery of oil in the field. The artificial pressure assist to be applied by water is expected to boost ultimate oil recovery from the field to around 50%. The pipeline serving the field is now carrying oil at the rate of 100,000 b/d.
- The stepped-up exploration drive in the Peace River area of B.C. and Alberta and the entrance of B.C. for the first time into the official oil producing category. Although production is negligible as yet —an estimated 100,000 bbl. for all 1956 from four or five wells — expectations are high that this active Peace River country will become important for oil as well as gas.
- Recently announced decision of Trans Mountain oil pipeline to boost capacity sharply to a possible peak of around 500,000 b/d is seen a pretty convincing indication of how big oil experts consider this West Coast and California market.
- Completion of three important oil feeder lines in Alberta and Saskatchewan provided as many new oilfields with pipeline outlets to Eastern Canada and West Coast markets:

(1) The 109-mile line of **Westspur Pipe Line Co.** provides the hot southeast corner of Saskatchewan access to the big Interprovincial pipeline. Productibility in this field is mounting so fast that already a "looping" job has been planned to boost pipeline capacity further.

(2) The important producing area around Sturgeon Lake in northwest Alberta was tied into the **Trans Mountain** oil pipeline system this summer by the 80-mile line of **Peace River Oil Pipe Line Co.**

(3) The **Sundre-Westward Ho-Harmattan-Elkton** group of fields in the central part of Alberta were tied into Calgary this summer by the short **Cremona Pipe Line.**

What's Being Planned

And on the planning boards:

The big expansion boost now being engineered by Trans Mountain oil pipeline could in time boost carrying capacity of the line to around the 500,000 b/d level.

It is believed likely now that the pipeline management will decide on the bolder and bigger of two possible pipeline expansion moves; that they will go for a major looping program in which a sizable section of the 750-mile line will be paralleled. Tight steel and pipe supplies will make such a program virtually impossible until 1958 at least. Management, however, is believed to want to push the project as rapidly as possible in view of the rapid expansion in West Coast markets.

Next season **Interprovincial Pipe Line Co.** will push another 150 miles eastward from Sarnia to Port Credit on the western edge of Toronto. The marketing target here will be two refineries currently engaged in sizable expansion programs. The big **British American** refinery program at Clarkson and the smaller project of **Regent Refining** at Port Credit will provide a minimum market of 30,000 b/d and a maximum of close to 80,000 b/d when the current programs are completed in a couple of years' time.

It's almost certain now that refining capacity is going to be boosted further in Ontario over the next couple of years by construction of at least two new refineries. Both **Shell Oil Co. of Canada** which has taken an option on a large block of land near Bronte (close to Hamilton), and **Cities Service Co.** which is looking at several possible sites in the general Toronto-Hamilton area are likely to announce refinery construction programs in the near future.

This would further boost the market for Canadian oil moved into the area by the Interprovincial oil pipeline extension. Shell is now supplying most of its Ontario market with refined products from its big Montreal refinery which operates on imported crude. **British Petroleums** is also reported looking into the refinery picture in Eastern Canada.

Tar Sands Perk New Interest

Looked at in the light of today and tomorrow, what exactly is the significance of Alberta's bituminous sands?

For years this huge deposit has been playing on the imagination of oilmen and crackpots alike. Some 50 years of speculation and several hundred stories have seen the legend of the McMurray oil sands take on fabulous proportions.

For the last 30 years there have been whispered hints of secret processes able to unlock a glittering prize, the key to 100-250 billion bbl. of heavy oil lying nearer the surface than any other oil field in the world, and covering an area ranging from 1,500 sq. miles to 30,000 sq. miles.

But what is the real position?

"Unlimited development possible in next 10 years," they have been saying, but that was in 1926.

"Ready to treat sands . . . a novel project," but that was 1936.

"Fabulous sands ripe for big squeeze," said the reports in 1951.

And now: December, 1956?

The Financial Post put the question to leaders of the oil industry. They believe that the day is fast approaching when products from the sands will be used to supplement shortages in normal crude oil production.

It is true that if a natural supply of free-flowing oil in Canada had not been discovered, the tar sands would be in production now. The deposit has now gone from being Canada's only source of magnitude to one that will come in to complement existing sources.

But this is the present position:

World Interest

Events have moved swiftly since S. M. Blair, president of **Canadian Bechtel Ltd.** carried out a survey of the sands for the Government of Alberta. Publication of his report in 1950 did more to spark world interest in the area than any other event. The sands were leased by about half a dozen international oil companies who immediately engaged in extensive drilling with these two results:

Understanding of how the deposit has been formed is becoming very much fuller;

Research work on the sands in European and North American laboratories has been greatly intensified.

The shape, dimensions, quality, distribution of the deposit are features now known more accurately and completely than ever before. Information on water, oil and mineral content has been charted. No longer is there emphasis just on the series of outcrops along the banks of the Athabaska River. The whole area has been under scrutiny.

This has been going on concurrently with a drive by the oil industry to improve knowledge of secondary oil recovery from every oil field. It is true to say that the ultimate aim of every production man in the world for the last 20 years has been the discovery of a way to recover the b[illegible]ce of deposits in known oil fields.

And in this respect the Alberta sands have now become far more important.

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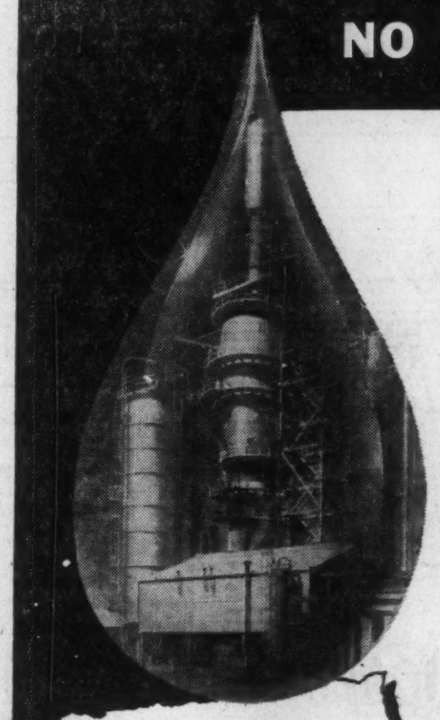
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ALBERTA
Since 1947 over two billion dollars have been invested in just one phase of Alberta's important oil and gas industry—exploration and development. This is more than three times the cost of the St. Lawrence Seaway.
Yes, the oil picture is big and bright in Alberta, as shown by these past, present and projected production and reserve figures.*
Every sign points to continued expansion in Alberta's oil and gas industry. New export markets . . . new home markets . . . new secondary industries, mean the future for oil in Alberta is Big! Bright! Secure!
*CRUDE OIL (millions of barrels)

	Annual Production	Recoverable Reserves
1952	59	1,557
1956	120	2,935
1960	200	4,000

*NATURAL GAS (billions of cubic feet)

	Marketed Production	Marketable Reserves
1952	70	12,050
1956	150	22,500
1960	550	26,800

GOVERNMENT OF
ALBERTA
DEPARTMENT OF MINES & MINERALS
HON. E. C. MANNING, Minister — H. H. SOMERVILLE, Deputy Minister
*Taken from the Alberta Government Submission to the Federal Royal Commission on Canada's Economic Prospects.
For complete facts write: RICHARD MARTLAND, Director, Industrial Development Branch, Legislative Bldg., Edmonton, Alberta.

$10 Billion Oil Capital In 25 Years

Petroleum and natural gas will supply over 71% of the total energy needed by 1980 in a greatly expanded economy.

Petroleum requirements will reach 760 million bbls. or over 3½ times the present demand, predicts M. S. Beringer, president, **British American Oil Co.**

He emphasizes that, based on the $400 million spent by the industry last year for exploration and development, a $10 billion investment will be needed as a minimum over the next 25 years for this primary phase alone.

Referring to the extensive expansion program recently completed by his company which has just observed its 50th anniversary, Mr. Beringer forecast, a much brighter future for the oil industry.

The growth of the industry is symbolized by the lightning growth of British American Oil Co., during the past fifty years.

The recent expansion, one of the largest ever undertaken by any Canadian company, has had these immediate results:

- B-A now ranks second in crude oil production in Western Canada.
- The company's net reserves of oil have been quadrupled.
- Over-all assets have been approximately doubled in value.
- The number of employees has increased to 6,200.

The company began in 1906 when it was founded by the late A. L. Ellsworth who had foreseen that oil business held a bright future. At that time the chief assets of what is today Canada's second largest petroleum company were the drive and ingenuity of the youthful founder.

OIL ISN'T FUSSY about where it's found: in rocky northern pastures, in swamps, under rivers. Here an oil land surveyor looks over a well site in a wind-swept barley field in the Alberta foothills.

Automation Means Top Oil Pay

The worker payoff in "automation" gets crystal-clear illustration in the oil and gas industry.

Oil refining is one of the fields in which electronic controls first became of big-scale importance.

Investment per worker is extremely high. So is dollar value of output per worker.

And the process is by no means nearing its end. Refineries become more and more automated.

Witness to this fact is the relatively low percentage—the nation-wide all-industry average is 33% — you can mark down refining as an industry which eventually will get considerable attention from union organizers.

It seems unlikely that discovery and development workers will come under much union pressure until and if labor gains a stronger beachhead in refineries.

Both in refining and discovery - development average weekly income is more than $80.

This puts these employees among Canada's wage-earning elite — along with metal-miners (other than gold), basic steel workers, pulp and paper workers.

Average weekly wage in all manufacturing is around $62-$63.

Accompanying tables show the uptrend which has boomed oil and gas wages approximately 25% since 1951.

Oil Finding Pays Well

	— Oil and Natural Gas Industry — Hrs. worked per week	Av. hrly. wage cents	Av. wkly. wage $
Aug., '56	44.4	185.7	82.45
1955, avge.	44.3	173.9	77.04
1954	43.1	169.7	73.14
1953	44.1	165.3	72.90
1952	44.3	161.4	71.50
1951	43.7	147.8	64.59

So Does Oil Refining

	— Petroleum Products Industry* — Employees	Earnings $000	Approx. avge. per week $
1954	12,476	52,316	81
1953	11,858	48,575	79
1952	11,661	46,145	77
1951	10,611	37,079	67

large recent additions to many Canadian refineries which have increased employment only a little.

For instance, Canadian refining capacity has risen roughly 200% since 1946 while employment has risen less than 100%. But total employee earnings are up something like 250%. Approximate average wage has doubled.

In greatly increasing refining efficiency automation spreads its effect back into the business of looking for oil and gas.

Anything which boosts refinery efficiency and thus refinery wages is likely also to help push up wages in the allied business of discovery and development. And, of course, another major reason for high wages in discovery and development is the need for skilled personnel which can command big money.

Unions Not Strong

It may be because of high wages that unions are not particularly strong in oil and gas.

Organized labor is out of the picture in the discovery and development end of the business.

But there is one important union in refining—the Oil Chemical and Atomic Workers International, the product of a merger last year between the old CIO United Gas, Coke and Chemical Workers and the CIO-CCL Oil Workers International.

Despite the merger OCAW remains a relatively small union, claiming some 8,000 Canadian members.

Its latest Canadian activity in refining: The passing out of leaflets to workers in all unorganized refineries.

However, the literature was informative rather than organizational in nature. This apparently means that OCAW isn't going to mount a big organizing push in the immediate future but may do so at some more distant time.

Probably something less than half of OCAW members are in oil and gas, the remainder being chemical workers. This suggests that only about 25%-30% of Canadian refinery workers are organized.

Because of this comparative-

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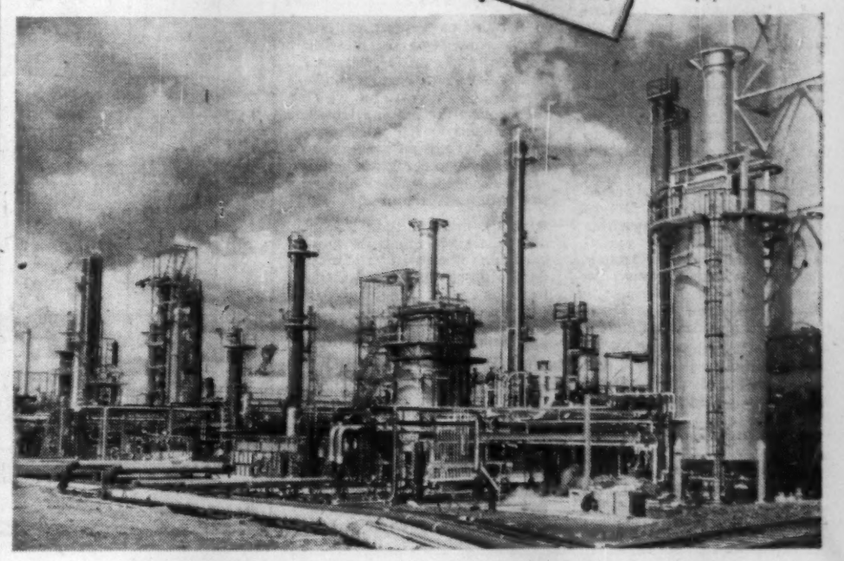

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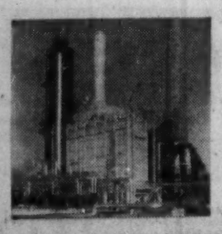

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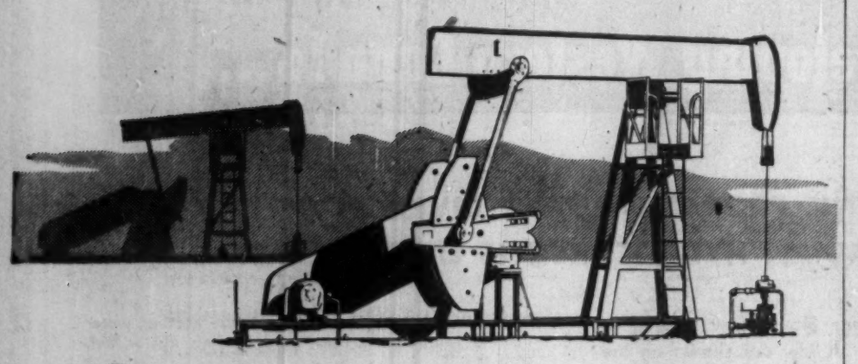

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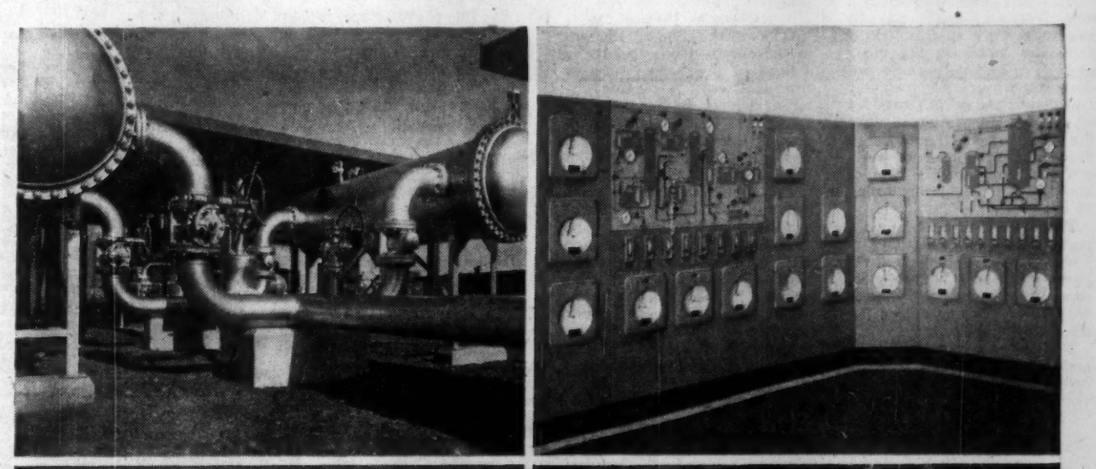

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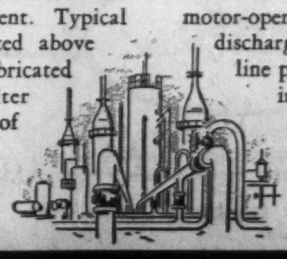
In the oil fields, in large refineries, and in pipe line gathering systems, pumping stations, metering and regulating manifolds, as well as tank farms . . . wherever this precious "black gold" is handled, the men behind the scenes depend on Peacock for reliable, trouble-free equipment. Typical Peacock installations illustrated above are: *Upper left:* Nordstrom lubricated plug valves installed on filter manifolds in pumping station of eastern Canadian pipe line. *Lower left:* Foxboro Model 50 Consotrol instruments on a fluid catalytic cracking, fractionation and gas recovery panel in a British Columbia refinery. *Upper right:* Foxboro Model 40 and Model 50 instruments on graphic control panel in large western refinery. *Lower right:* Nordstrom motor-operated valves on pump suction and discharge manifolds in Canadian pipe line pumping station. Throughout the industry—in production, in refining, in transmission—Peacock installations are making the job easier.



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While in the coming years oilmen not only will fuel and lubricate automotive vehicles, they will also supply, more than ever, the products to build the roads on which the vehicles run.

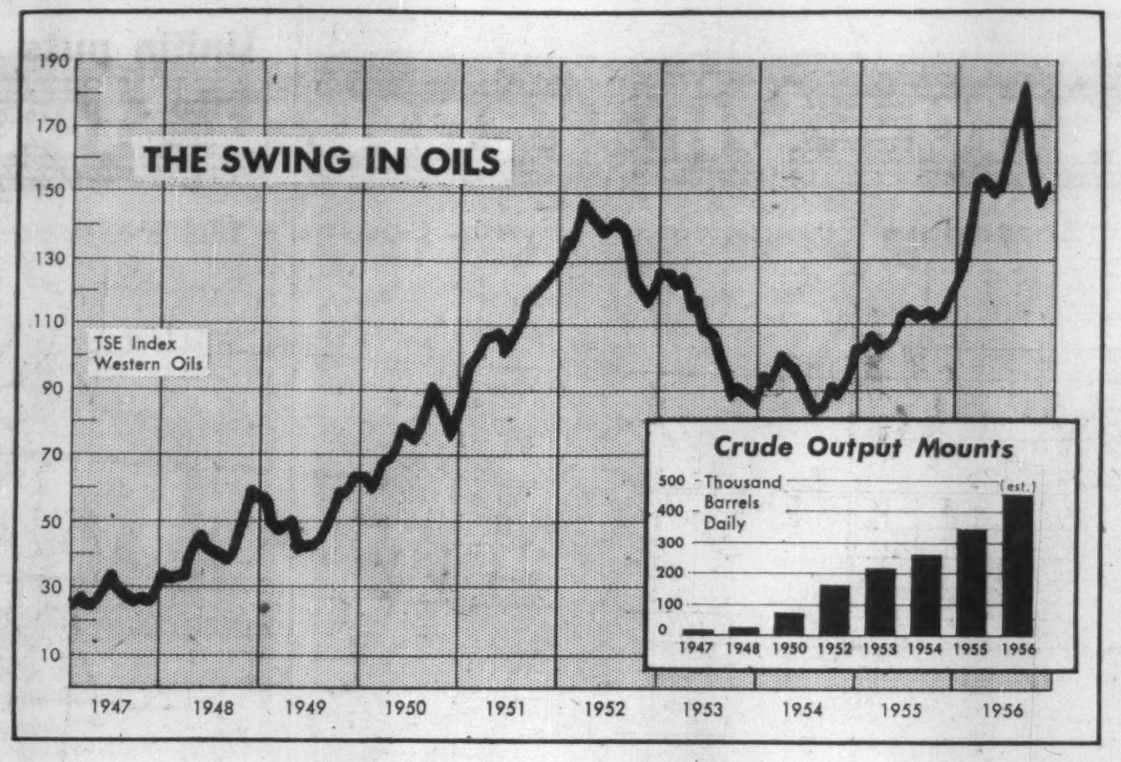
Provinces from coast to coast plan big highway construction programs and everywhere asphalt will be used exclusively. Thus Canada's asphalt market can be expected to grow rapidly.

Here are some facts about the asphalt industry in Canada:

- The total mileage of paved surfaces in Canada in 1954 was 33,321 miles, of which 31,866 miles were paved with asphalt and 1,455 miles were paved with portland cement concrete.
- Consumption of asphalt in Canada increased from about 130 million gallons in 1947 to about 260 million gallons in 1955, and the asphalt market is expected to continue to grow rapidly.
- At the present time, about 15% of all asphalt consumed in Canada is used by the roofing industry.
- Asphalt pavements are presently supporting the heaviest modern aircraft weighing nearly 500,000 lb., and are also used for jet aircraft for which the tires on the landing wheels are inflated to 300 psi. Consequently, asphalt pavements can be designed to carry the heaviest wheel loads and the highest tire inflation pressures.
- Many more million gallons of asphalt are expected to be used on Canadian highways and airport runways in the next 10 years.

Asphalt's present popularity and expanding future in highway construction is firmly rooted in a preference already established throughout the country.

Over 80% of all paved thoroughfares in Canada today are covered with the smooth black material. More than 90% of all primary construction today has been of asphalt.



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Investors Look Again At the Oil, Gas Mart

A re-awakening of interest in Western Canada's oil and gas stocks has been one of the key features of stock exchanges this year. Generally, steady investment-grade buying carried prices well ahead in an advance which started late in 1955.

But with the over-all market picture confused because of tight-money policies, world troubles that threatened to erupt into serious war and U. S. elections, the advance in oil and gas issues failed to follow through.

On balance, however, indicators of movement of the oils show that the group made the best showing of any major group of stocks.

At their peak in mid-summer, Western Canada oil and gas stocks were up almost 52% from the levels at the close of 1955. Profit-taking and the changing winds of investment sentiment resulted in some loss of ground since August with the result that the Toronto Stock Exchange index of western oils now shows a gain of about 23% from the beginning of the year.

The 1956 upturn followed a period of consolidation at lower levels for about three years. The big boom in interest in western oils started with the discovery of the Leduc field in 1947.

For a few years, investment and speculative interest was hectic with steadily higher prices being chalked up. But then the usual reaction to the speculative fever set in.

Liquidation and the squeezing out process that followed in the market ignored the steady growth of the oil industry. Where at one time during the boom many issues were probably over-priced, by the time the oil market had been wrung out investment analysts were pointing to issues which appeared low-priced in relation to increased assets.

Their studies taken with growing world demand for oil and recognition of the increasingly important role being played by the Canadian industry, resulted in the steady rise into the summer.

Overseas Interest

One of the biggest factors in the climb in oil stocks was a flood of investment interest from overseas. More giant international oil companies with European backgrounds were coming into Canada and these focused attention on Canadian oil stocks.

But this investment interest was concentrated in companies with "oil in the ground." The big gambles in land plays and drill holes had largely disappeared. Investment buying started in the major integrated companies and spread into smaller firms who now were going concerns.

That was the major difference between the post-Leduc boom in oils and this year's rise. Investors who had been badly burned by the 1952-53 slump continued to stay out of the oil market. But new investors in a position to see the basic growth that had occurred were appearing.

Late in 1956, more interest became apparent in the smaller oil and gas issues with widespread acreage interests. This was the result of the Suez crisis. It became apparent that the search for oil and gas in the Western Hemisphere was increasing.

Canada, as possibly the major exploration area, stood to gain substantially from the need among major oil firms to establish reserves outside the Middle East.

But this renewed investment interest couldn't hold against the general reversal that was occurring in the stock market. From the mid-summer peaks, oil stock price indicators slid steadily although not at as fast a pace as the overall market. Currently they are down about 20% from their highs.

Reaction to Suez

Possibly the best gains in the oils occurred in reaction to the Middle East fighting. International investors took the seizure of the Suez Canal company and the outbreak of fighting in the Middle East as a sign to buy major Canadian oils and pipelines. The lower-priced western oils were largely by-passed.

Oil Stocks

Company	Range 1956 High	Low	Recent
Acme G&O	.33	.17	.17½
Ajax	1.07	.62	.68
Albedina	.08	.02½	.13
Alta. P. Con.	.66	.29	.42
Aldina	.08	.02½	.04½
Altex	.35	.22	.25
Amalta	.07	.03½	.04
Am. Leduc	1.50	.65	.68
Amurex	7.40	5.40	5.65
Anchor	.25	.08½	.17
Anglo-Am.	16.87½	12.25	13.25
Apex	.25½	.09	.09
Bailey-Sel. A	20.00	8.80	17.88
Do. 5% debs.	40.00	25.00	34.00
Banff	4.20	1.60	2.80
Barons	.10	.04	.05½
Basco	.67	.35	.39
Bashaw	.18½	.09	.17
Bata	.19	.11	.10½
Blue Crown	.40	.15	.18
Bonnyville	.68	.25	.33
Bralsaman	1.45	.98	1.07
Britalta	4.30	2.31	2.65
Br. Pete	.11	.04	.04½
Cabanga	1.95	1.00	1.10
Calalta	1.60	.54	1.36
Calg. & Ed.	33.00	19.37½	25.50
Calvan	6.75	4.50	4.65
Canada Oil L.	4.00	1.90	2.75
Do. warr.	2.25	.92	1.65
Canadian Ad.	.74	.40	.53
Cdn. Ana'da	.45	.13	.44
Cdn. Atlantic	9.00	5.65	5.85
Cdn. Br. E.	.95	.50	.63
Cdn. Dec. warr.	.80	.30	.53
Cdn. Dev.	9.35	2.90	6.70
Cdn. Emjay	.10½	.04	.04½
Cdn. Ex. G.	7.50	4.85	4.50
Cdn. F'tune	.35	.16	.16
Cdn. H'stead	2.70	1.75	2.15
Cdn. PL&P	4.60	2.74	3.00
Cdn. Prosp.	6.50	4.10	4.10
Cdn. Wil'ston	4.50	2.65	2.95
Canadusa	2.15	.79	.95
Canso Gas	1.85	1.09	1.30
Canso Pet.	6.25	1.57	4.60
Canso Prod.	3.20	1.85	1.90
Canso Warr.	1.25	.55	.80
Carleton	.57	.30	.45
Castle O&G.	.25	.10	.15
Cent. Expl.	6.00	3.35	3.65
Cent. Leduc	6.30	2.11	5.65
Century	.65	.20	.29
Charter	2.50	1.66	1.75
Claybar	.32	.16	.21
Coastal	...	...	†.65
Command	1.25	✓1.00	†.70
Com. Min'ls	.94	.70	.73
Commoil	4.10	3.05	3.25
Common P.	5.50	4.00	4.20
Con. Allen	.23	.12	.12
Con. Cord.	.40	.15	.20
Con. Dragon	.89	.35	.68
C. East C.	.85	.55	.52
Con. Gr. C.	.06½	.03	.04½
C. Mic Mac	5.40	2.50	4.75
Con. Peak	.19½	.10	.10
C. W. Pet.	15.25	6.65	8.50
Cree Oil	6.60	3.90	✓4.50
Dalhousie	.29	.17	.18
Del Rio	4.95	4.42	4.35
Dev. Palm	1.75	1.45	1.58
Dome	10.00	5.50	12.25
Dom. Min'ls	.17	.08½	.09
Dubar	.65	.07½	.09
East Cdn.	2.10	.32½	.35
Edoran	.17	.09	.09
Emp. Oil	.35	.23	.23
Fargo	3.60	1.90	2.60
Ft. St. John	3.40	.40	2.75
Freehold	.04½	.01½	.02
Futurity	.65	.39	.37
Gaspe	.72	.10½	.14
Gateway	.11	.05	.05½
Gen. Pet.	7.00	4.70	5.90
Do. A	7.00	4.85	5.55
Golden Sp.	.11	.06	.06½
Gt. Plains	54.50	25.75	35.00
Gt. Sw't Gr.	5.85	1.12	1.27
Gridoil	13.25	9.00	10.75
Hargal	.05½	.03	.03
Henderson	.24	.09	.09½
High Cr't	.50	.19	.33
High Sarcee	.58	.12	.32½
Hi-Tower	11.00	7.00	9.00
Home A.	16.50	10.25	12.50
Do. B	15.87½	10.12½	11.50
Husky	14.00	8.35	12.25
Do. warr.	7.20	3.40	5.50
Israel Cont.	2.00	.35	.35
Jump. Pound	.35	.16½	.20
Jupiter	3.10	1.90	2.00
Kenare	.41	.04½	.14
Keno	.39	.17	.20
Kroy	2.75	1.00	.85
Leduc Cal.	.40	.18	.19
Liberal	3.85	1.92	2.05
Lloydminster	1.15	1.00	1.00
Long Is. P.	.24	.10	.14
Marigold	.47	.24	.27
Marvel	.08	.02	.05
Medallion	3.80	2.00	3.55
Merland	.84	.18	.53
Merrill Pet.	22.50	11.75	14.00
Midcon	1.50	.75	.89
Mill City	.45	.23	.27
Mollusca	3.20	.60	2.10
Monarch	.36	.12	.22
Nat. Pet.	6.95	3.10	4.05
N. Bristol	2.08	1.00	1.05
N. British	3.25	2.00	2.02
N. Chamb'n	2.55	1.50	2.40
N. Concord	.59	.20	.25
N. Cont.	.90	.55	.53
N. Davies	.35	.16	.21
N. Gas Expl.	2.15	1.18	1.15
New Ranch	.10½	.06½	.08½
N. Richfield	.35	.10	.11½
N. Springer	.26	.07½	.15
N. Superior	3.00	1.99	2.10
Nordon	.40	.15	.14
North Cal.	1.59	1.01	1.05
North Can.	7.35	4.50	5.45
Do. 5½% pf.	43.00	35.00	35.00
Do. warr.	4.00	1.75	2.55
N. Cont.	.04	.02	.02½
Northland	1.31	.55	.75
Nucco	.47	.23	.36
Oil Select	.25	.08	.14
Okalta	3.25	1.77	2.37
Pac. Pete.	20.12½	12.62½	15.25
Pan Israel	...	...	2.65
Pan West	.43	.25	.22
Parker Drill	8.75	4.75	5.50
Peace River	12.00	7.85	8.90
Permo	2.40	1.90	1.95
Peruvian	3.40	1.36	1.21
Petrol O.	2.25	.93	.95
Phillips Oil	1.95	.75	1.40
Ponder	.89	.60	.65
Pontiac	.62	.16	.18
Prairie	6.90	3.30	4.05
Provo	2.74	1.56	1.55
Que. Oil Dev.	.20	.06	.07
Quinalta	.76½	.25½	.36½
Realty	.08	.02½	.03½
Reef Explor.	.27	.08½	.13
Renfrew	.07	.03	.05
Ridgeway	.25	.04	.08
Rio Palmer	2.65	1.70	1.81
Roxana	.13	.08½	.08½
Royal Can.	.13½	.07	.07½
Royalite	18.25	12.50	16½
Do. 5½% pf.	31.75	25.00	28.50
Sage	.15	.07	.08½
Sapphire	2.90	1.80	1.80
Do. 5% debs.	137.00	75.00	76.00
Sastex	1.00	.72	.80
Scurry-Rain.	3.90	1.75	3.15
Security	5.10	2.85	3.50
Select Oils	.20	.10	.12
Share Oils	.12	.07	.08
Silver City	.27½	.11½	.13
Souris Val.	.45	.18	.28
So. West Pet.	.50	.30	.40
So. Union	.90	.42	.51
Sparmac	.43	.18½	.18½
Spooner	.60	.16½	.27
Stanwell	.89	.55	.75
Sturgeon	.25	.09½	.11
Texas Cal.	1.33	.55	.56
Trans. Emp.	2.70	1.60	1.95
Trans-Era	.54	.30	.28
Transfield	.09	.04	.04½
Triad	12.00	5.50	8.25
Tri-Zone	.18	.05½	.12½
Turner V.	.35	.27	.32
Un. Oils	2.98	1.65	1.88
Vanalta	.40	.15	.31
Vandoo Con.	.60	.20½	.20
Van Tor.	2.35	.82	1.28
Vulcan	.90	.51	.61
Wayne Pet.	.73	.62	.72
Wespac	.40	.22	.21
W'burne	1.06	.59	1.05
W. Decalta	2.19	1.20	1.45
Do. B warr.	.60	.20	.35
W. L'holds	8.00	5.00	6.10
W. Maygill	1.70	1.00	1.15
W. Naco	1.50	.70	1.18
Do. warr.	.37	.04½	.05
W. Warner	.22	.08	.10
Wilrich	.68	.33	.25
Y'ke Can.	.25	.13	.13½
York Oils	.13	.06½	.07

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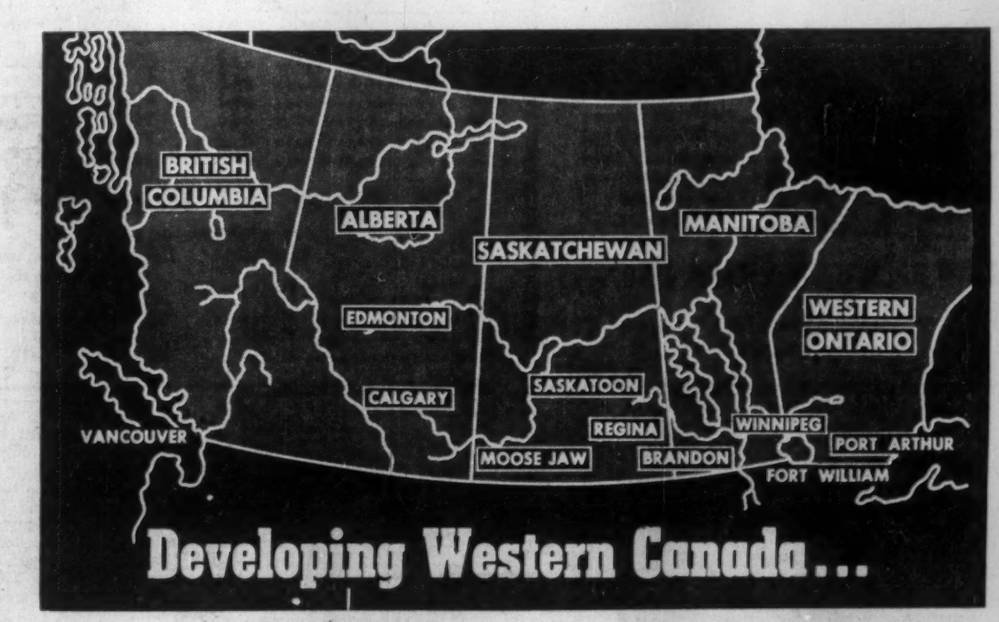


Developing Western Canada...

THE PROPANE-BUTANE DIVISION OF CANADIAN HYDROCARBONS LIMITED REPORTS:

- 60 modern Propane Plants now located in Western Canada. A few are shown on the map. More will be erected during 1957.
- 1173 exclusive Propane dealers now serve both rural and urban users.
- 114 Cylinder Filling Stations are in daily use throughout the western provinces.

That Propane is playing a real part in the surging progress of Western Canada is evident from the anticipated sales for 1956—30 million gallons.

Propane easily fits the description of the truly modern fuel. It can be used in almost any enterprise, and for that reason has found a growing number of applications in Western Canada. A few of them include:

DOMESTIC AND FARM—cooking, house heating, water heating, refrigeration, stock water heating, tractor fuel, crop drying.

INDUSTRIAL — metal cutting, vulcanizing, annealing, glass processing, cannery cookers, oil well drilling engines.

CHEMICAL—alcohol, detergents, plastics, resins, glycols.

TRANSPORTATION—trucks, tractors, buses, private automobiles.

UTILITIES—City gas enrichment: to raise or maintain a constant BTU content of natural and manufactured gas.
Standby supply: during period of heavy usage or supply failure.
Supply for new housing developments until natural gas main extensions are made available.
Sources of supply include most Western refineries, and recently major sources have been developed from the Province of Alberta, giving the Company a flexible, co-ordinated supply programme.

For a complete listing of the uses of Propane, as applied to Western Canada, and a copy of our Annual Report, write:

CANADIAN HYDROCARBONS LIMITED

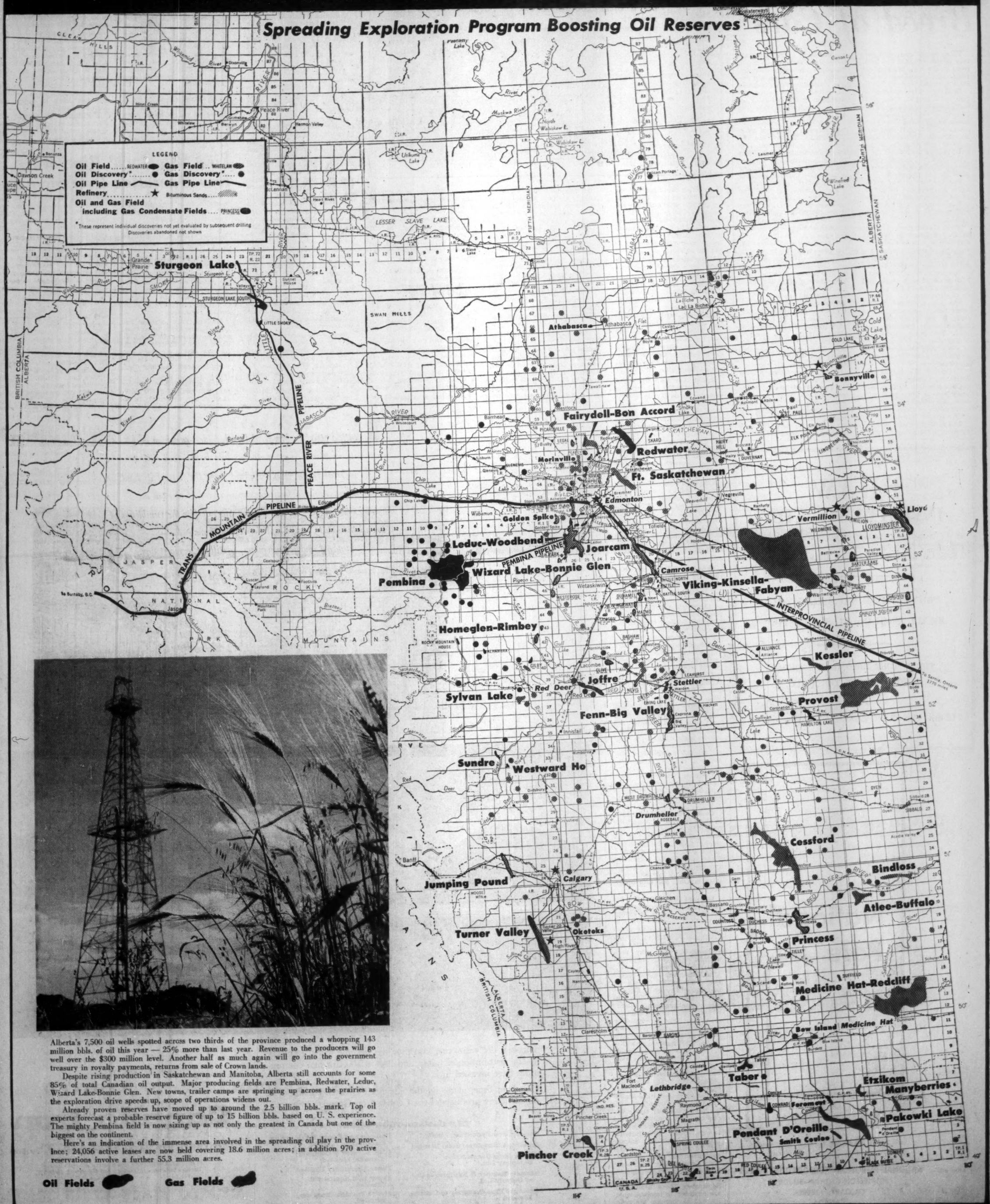
HEAD OFFICE: NATURAL GAS BUILDING

265 Notre Dame Ave. West, WINNIPEG 2, Manitoba

PROPANE AFFILIATES: Canadian Propane Limited, Sturdie Propane Limited, Propane Gas Service Limited in Alberta and British Columbia; Canadian Propane (Sask.) Limited and Hugh Gas Ltd. in Saskatchewan; Canadian Propane (Man.) Limited; Canadian Propane (Ontario) Limited.

Alberta—Oil Treasure House

Spreading Exploration Program Boosting Oil Reserves


LEGEND
Oil Field ..... REDWATER
Oil Discovery* .....
Oil Pipe Line
Refinery .....
Oil and Gas Field including Gas Condensate Fields .... PRINCESS
Gas Field ... WHITELAW
Gas Discovery* ....
Gas Pipe Line
Bituminous Sands ....
*These represent individual discoveries not yet evaluated by subsequent drilling
Discoveries abandoned not shown
Sturgeon Lake
Fairydell-Bon Accord
Redwater
Ft. Saskatchewan
Edmonton
Vermillion
Lloyd
Leduc-Woodbend
Joarcam
Golden Spike
Wizard Lake-Bonnie Glen
Pembina
Camrose
Viking-Kinsella-Fabyan
Athabasca
Bonnyville
Homeglen-Rimbey
Kessler
Provost
Joffre
Stettler
Red Deer
Sylvan Lake
Fenn-Big Valley
Sundre
Westward Ho
Drumheller
Cessford
Bindloss
Atlee-Buffalo
Jumping Pound
Calgary
Princess
Turner Valley
Okotoks
Medicine Hat-Redcliff
Bow Island
Medicine Hat
Taber
Lethbridge
Etzikom
Manyberries
Foremost
Pakowki Lake
Pendant D'Oreille
Smith Coulee
Pincher Creek
PEACE RIVER PIPELINE
TRANS MOUNTAIN PIPELINE
PEMBINA PIPELINE
INTERPROVINCIAL PIPELINE
To Sarnia, Ontario 1770 miles
To Burnaby, B.C.
Peace River
Grande Prairie
Whitelaw
Berwyn
Dawson Creek
McLennan
Fairview
Grimshaw
Harmon Valley
Heart River
Utikuma Lake
North Wabiskaw L.
South Wabiskaw L.
Lesser Slave Lake
Slave Lake
Smith
Athabasca
Lac La Biche
Cold Lake
Waterways
Lloydminster
Wainwright
Provost
Lea Park
Edgerton
Viking
Battle River
Red Deer River
Bow River
Oldman River
Milk River
Crowsnest Pass
Waterton Lakes
Glacier National Park
Jasper National Park
Rocky Mountain House
Banff
Coleman
Blairmore
Pincher Creek
Fort Macleod
Taber
Coaldale
Raymond
Magrath
Milk River
Sweetgrass
Cardston
Claresholm
Stavely
Nanton
Vulcan
Strathmore
Drumheller
Hanna
Oyen
Consort
Castor
Coronation
Sullivan Lake
Hamilton Lake
Elk Point
Lindbergh
Two Hills
Mundare
Vegreville
Viking
Wainwright
Battle River
Hughenden
Alliance
Bruce
Innisfail
Olds
Didsbury
Sundre
Cremona
Crossfield
Airdrie
Chestermere
Gleichen
Bassano
Brooks
Tilley
Suffield
Redcliff
Dunmore
Irvine
Bow Island
Foremost
Etzikom
Manyberries
Pakowki Lake
Pendant D'Oreille
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Kessler
Provost
Fenn-Big Valley
Joffre
Stettler
Sylvan Lake
Red Deer
Sundre
Westward Ho
Jumping Pound
Turner Valley
Okotoks
Pembina
Wizard Lake-Bonnie Glen
Leduc-Woodbend
Joarcam
Golden Spike
Fairydell-Bon Accord
Redwater
Ft. Saskatchewan
Edmonton
Vermillion
Lloyd
Bonnyville
Athabasca
Homeglen-Rimbey
Camrose
Viking-Kinsella-Fabyan
Princess
Medicine Hat-Redcliff
Bow Island
Medicine Hat
Taber
Lethbridge
Etzikom
Manyberries
Foremost
Pakowki Lake
Pendant D'Oreille
Smith Coulee
Pincher Creek
Drumheller
Cessford
Bindloss
Atlee-Buffalo
Princess

Our Refineries Feed a Fussy Breed of Cars

Those eye-catching 1957 cars may be the slimmest and trimmest on the road but they are more diet conscious than a Powers model.

Feed them a low-grade gasoline and they'll soon start snarling — that pinging sound, known as knocking—as you battle along in the five o'clock rat race. That's just your car's way of saying you can't expect a good performance if you short change it on fuel.

Today's auto has more power packed into its engine than any previous one on record.

For the driver this means faster startups and better all-round performance. For the oil refiner it means a demand for increasingly higher quality gasoline.

When all due credit is given to the engineers in Windsor and Detroit, it is to a large extent the oil refiners who make possible the present-day automobile's high performance.

The plain fact is that today's high-powered cars would just splutter along on the gasoline of 10 years ago.

The gas consumed by the present-day auto for a run down to the corner store is a higher octane fuel than that used by some planes in World War II. Octane rating is a scientific measurement of a gasoline's ability to resist knocking.

To assure this higher performance, Canadian oil refiners are spending millions each year just to keep pace with this ever-climbing fuel requirement—let alone get ahead of it.

The most significant postwar change in Canadian oil refining has been in the processes themselves; rather than in the increased refining capacity, which has itself been impressive. Capacity has slightly more than tripled in the last decade to 708,000 b/d today. In the past year alone there was a 13% increase.

There is almost no comparison between a barrel of refining capacity 10 years ago and today. The refiners can only meet the demand for higher octane fuels through increasingly more complex refining processes — the fruits of prolonged and costly research.

For instance, in 1946 the Canadian refining industry had no catalytic type units. Today it has 190,000 b/d fluid catalytic cracking capacity and over 100,000 b/d catalytic reforming capacity.

However, the refiners claim, the present narrow profit margins—only a fraction of a cent per gal.—just cannot support today's refinery building costs. These have roughly doubled in the last decade and now run around $1,500 per b/d.

The average compression ratio on the new 1957 cars is 9-to-1, compared with 8.4-to-1 on 1956 cars. It's estimated that about half the 1957 cars will require premium grade gasoline. The average premium grade gas is 95.6, compared with 89.4 octane for regular.

Generally motorists driving cars with 8.5-to-1, or higher, compression engines get better performance from premium grade gasolines. Those with lower compression ratios can use regular grades.

Canadian refiners will have spent an estimated $85 million this year on expansion and improvements to meet the greater quality and quantity demand for their products. A large part of the specialized equipment being installed is to produce higher octane fuels and provide more flexibility in general output.

Under construction are new units at several refineries across the country.

Here's a summary of new Canadian refinery projects under way or recently completed by refining firms:

Bonnyville Oil Refineries Ltd. proposed extension to its Cold Lake, Alta., pipeline will send next year's capital expenditures up to around $250,000, compared to $50,000 this year. Company has a 1,000 b/d refinery at Bonnyville, Alta.

British American Oil Co. is building a 10,000 b/d catalytic reformer at its Clarkson, Ont., refinery with completion scheduled for early 1957. It is also adding a 40,000 b/d crude unit to be completed later next year. Early this year company brought on stream a 13,000 b/d catalytic reforming unit at the Montreal East refinery. Expenditures for 1957 are estimated at about $16 million.

Consumers' Co-operative Refineries Ltd. in the past year upped the capacity of their Regina refinery to 16,000 b/d (13,000 b/d before). Capital expenditures for 1957 are estimated at around $500,000. These will provide an 8,000 bbl. steam generator and a 55,000 bbl. storage tank and miscellaneous additions.

Canadian Oil has increased crude oil capacity of its Sarnia refinery to 30,000 b/d (22,000 b/d before) and raised the catalytic fluid cracking capacity to 13,000 b/d (10,000 b/d before). Expansion plans call for start this year on construction of a new platformer with a 4,400 b/d design feed capacity combined with a new Udex unit, having a 3,650 b/d design feed rate. Completion is expected around June, 1957. Capital expenditures for 1957 are estimated at $3 million, compared with $2.8 million for 1956.

Canadian Petrofina Ltd. plans only small modifications next year to its 20,000 b/d Montreal East refinery. These will be mainly to put the units in full production. Consequently capital expenditures for 1957 will be considerably lower than for 1956.

Excelsior Refineries Ltd. capital expenditures for 1957 will be about $75,000 lower than the $250,000 estimated for 1956.

Husky Oil & Refining Ltd., in the past year increased the capacity of its Moose Jaw, Sask., refinery to 3,000 b/d (2,000 b/d before). Husky expects to make considerable expenditures in 1957 for expansion and additions to its refineries. Two others are located in Fort William, Ont., and Lloydminster, Alta.

Imperial Oil Ltd. recently completed the largest refinery construction project ever undertaken in Canada. This was the complete rebuilding of its Imperoyal refinery in Halifax —an 18-month job costing $30 million. This has more than doubled capacity to 42,000 b/d (18,000 b/d before).

In Vancouver Imperial will spend around $4 million on new equipment for its Ioco refinery. This will produce still higher octane gasoline required by the high compression engines now being developed by auto makers. Aim of this big layout is to improve quality rather than increase quantity. A powerformer, using platinum as a catalyst, will alter the gasoline molecules' structure to resist knocking.

Main item in the Ioco refinery program will be a powerformer which will have a 5,000 b/d capacity. Two other units —a prefractionator and a hydrofiner—will control the feed stock quality for the powerformer. Other new installations will include storage tanks, piping and special equipment for handling catalyst. Construction will begin in early spring and equipment should be operating by next September. These installations are intended to improve quality, not to increase the refinery's 23,000 b/d capacity.

At Imperial's Montreal East refinery—largest in the country after company's Sarnia one — latest plans will bring postwar expenditures on expansion and improvements there to over $40 million. Highlighting the current $5 million program is a catalytic reformer to raise the octane rating of auto gasolines. Construction began this summer and completion is scheduled for early next year.

Imperial's expenditures for refinery facilities in 1956 and 1957 together will total about $60 million.

McColl-Frontenac Oil Co. has let a contract for construction of a 10,000 b/d hydrotreating unit for its Montreal East refinery. In past year it has boosted crude oil capacity there to 58,000 b/d (50,000 b/d before). At the Edmonton refinery a 3,300 b/d catalytic reforming unit is under construction with completion scheduled for next April.

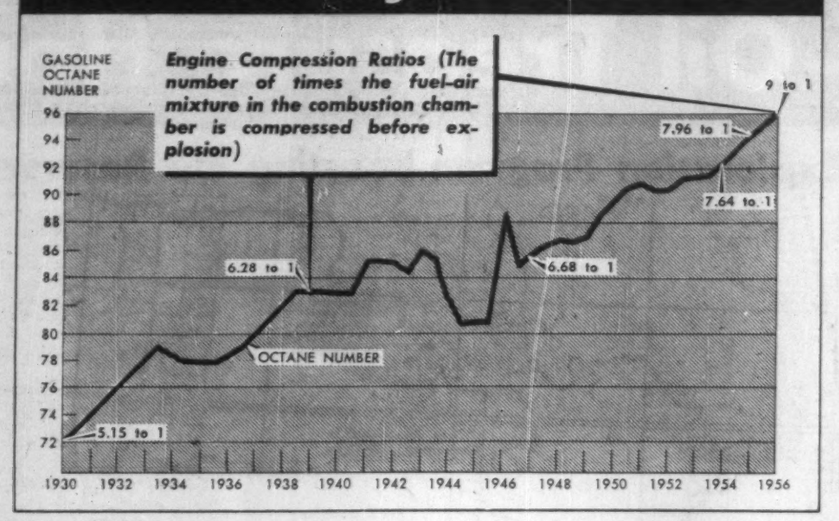
Northern Petroleum Corp. is expanding capacity of its Kamsack, Sask., refinery to 1,000 b/d (800 b/d before) and carrying over $20,000 of expenditures into 1957.

Radio Oil Refineries Ltd. has increased the crude capacity of its Winnipeg refinery to 2,000 b/d (500 b/d before).

Regent Refining (Canada) Ltd., (now controlled by the U. S. **Texas Co.,** through latter's acquisition of the U. K. **Trinidad Oil Co.**) is now expanding present capacity of its Port Credit, Ont., refinery to 20,000 b/d (from 14,000 b/d). Included in present program is a catalytic cracking unit, a vacuum distillation unit and a

(Continued on page 53)

Better Auto Engines: Better Fuels



Seek Oil Spray to Kill 40 Million Acres Weeds

Canadian agricultural research specialists continue their search for an oil spray which may rid some 40 million acres of western grainfields of certain species of injurious wild oats.

Although this field of research is comparatively new, at least one specialist reports that already some interesting leads on the problem have been found.

These experiments, however, are only part of an extensive research program being carried out on agricultural products. Another important experiment being made is in soil sterilization in soil coated with various oils to produce a spray strong enough to keep railway and power rights-of-way free from weeds.

Sowing of wild oats is not usually associated with the serious atmosphere of a research laboratory, but Earl Emond, of **Imperial Oil's** laboratories at Sarnia, Ontario, has been sowing wild oats professionally now for some time.

A graduate of Ontario Agricultural College, Dr. Emond is Imperial's agricultural research specialist. He grows trays of wild oats in the course of his experiments to try to find an oil spray which will eliminate the species from western crop lands.

The experiments are only part of an extensive research program carried out on agricultural products. Mr. Emond divides his time between his laboratory and a greenhouse in the refinery grounds.

His task is to help the farmer in every way possible. For instance, tobacco plants grow a phenomenal number of suckers which if left, reduce the yield. Emond found that a spray developed in U. S. will kill off the suckers and leave the plant unharmed under Canadian atmospheric conditions. It has increased crop yield by 20%.

Another branch of his work is with waxes for coating fruits and vegetables. He says that coating of vegetables is more important than most people seem to realize, as bulbous produce often loses up to 40% of its weight through moisture evaporation if uncoated.

Apples are said to be a particular problem. Storage costs of uncoated apples run as high as 25 cents a month per bushel. A search is being made for a way to coat apples, but this work is additionally complicated by the Canadian climate which requires waxes which will not crack in winter, or melt in summer.

Fertilizers, developed at Sarnia, are being tested to increase crop rates and also nutritional values.

First 'Big Inch' Pipe Mill Into Operation by Year End

Welland Tubes Ltd., the country's first "big-inch" pipe mill, should be in operating shape late this month.

The company expects to start trial runs of the massive new pipe-making machinery by then, or early January.

Being built by **Page-Hersey Tubes and Steel Co. of Canada,** primarily to supply big pipe for major oil and gas lines throughout Canada, the new Welland mill will produce steel pipe from 20 in. to 36 in. outside diameter.

Welland Tubes already has big orders on hand. **Trans-Canada** has placed a multi-million dollar order with the new firm for pipe within the above size range, to be used in its Alberta-Montreal natural gas line.

First production at the new mill will consist of 150 miles of 20-in. pipe ordered by **Interprovincial Pipeline Co.** for an extension of its oil line from Sarnia to Port Credit, Ont. Production of pipe for Trans-Canada Pipe Lines Ltd. will follow immediately.

The huge building that will house pipe-making machinery is just about completed, and much of the machinery has already been installed.

One of the biggest pieces of machinery — a huge press which will literally punch wide plates of steel into pipe form — weighs 800 tons, and will be capable of pressures of up to 16,500 tons.

The new mill building covers approximately 200,000 sq. ft. It is 684 ft. long, and has a width of 260 ft. at one end, and 317 ft. at the other end where the loading bay is located.

This plant will be capable of producing between $40 million and $60 million worth of pipe annually.

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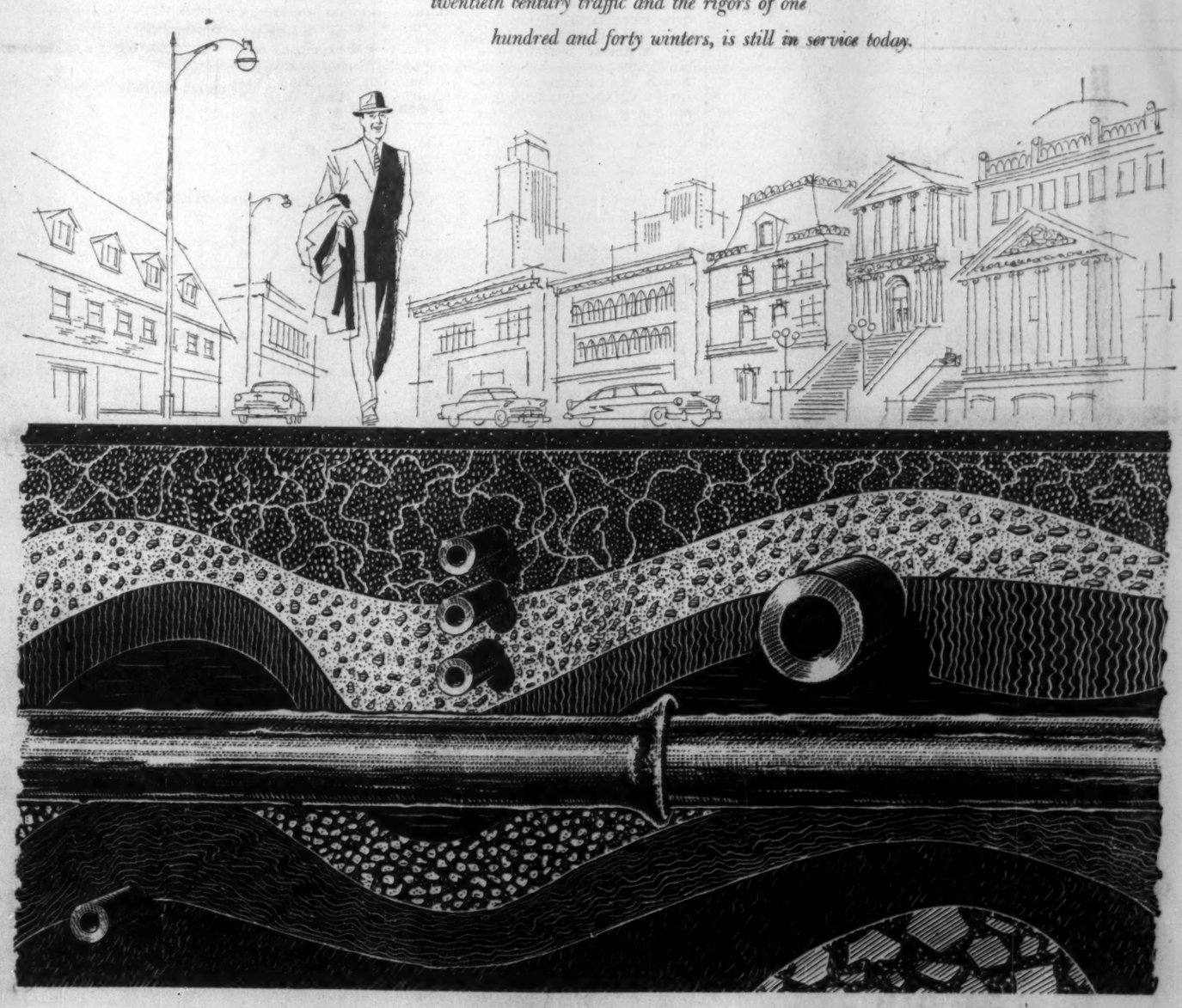
501 LEESON-LINEHAM BUILDING
CALGARY, ALBERTA
CANADA

Beneath a street in Montreal lies the oldest cast iron water pipe in North America. It was laid by the good citizens of Montreal in the year 1816; and being the first of its kind, one can imagine more than a few eyebrows were raised at such an innovation. However, this ancient pipe, despite the rumblings of twentieth century traffic and the rigors of one hundred and forty winters, is still in service today.



Through the years, cast iron pipe has become world standard for the distribution of water; and 94% of all Canadian communities have invested in it.

Cast Iron Pipe, made by the advanced Delavaud method, is one of many products of the Canada Iron Group.

THE CANADA IRON GROUP
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Dominion Structural Steel Limited
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Pressure Pipe Company of Canada Limited
Railway and Power Engineering Corporation Limited
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Paper Machinery Limited
Paper Mill Equipment Limited
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foundries limited
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- Hydro-pneumatic Tanks
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Head Office and Plant:
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629 Eastern Avenue

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1411 Crescent Street

PEACE RIVER oil pipeline, built right through the winter, will permit deliveries from the Peace River fields direct to the Pacific Coast, via the Trans Mountain line from Edmonton.

Major Oil Pipelines Spread Like Industry's Life Roots

Nowhere is the story of Canada's oil industry more dramatically told than in the planning and expansion of her oil pipelines.

When geography places known oil reserves of between three and four billion barrels some 800 to 2,000 miles away from the biggest potential outlets, pipelines then are the magic keys to unlock these distant markets.

In Canada the oil industry's marketing stature can be very well measured by the growth in her major pipelines:

In the two trunk lines moving out of Edmonton, Alta., in opposite directions and making up a continuous transcontinental line stretching some 2,600 miles from Vancouver to Sarnia; in the spreading roots that feed oil into the trunk lines from Pembina, Redwater, Leduc, Sturgeon Lake, southwest and southeast Saskatchewan and southern Manitoba; in the smaller distribution branches from the main trunk lines that are yet to sprout out in this country.

As in any healthy growing tree the roots will gradually spread out to tap more and richer soils, or oilfields.

It is this gradually swelling flood of new oil life that builds up the pressure for new marketing outlets; that in turn means bigger trunk lines, spreading distribution lines.

The pipeline targets are the refineries in the larger cities. Only when these markets are large enough—or promise to be at an early date—is it possible to finance the pipeline extension to that area.

Meet Problems

As these refinery markets on the pipeline route expand beyond pipeline throughput capacity the problem is met either by installing additional pumping capacity and/or by looping the line (laying parallel lines along certain sections of the route).

It has been the experience on this continent that practically every major oil pipeline is built "too small" in the first place. Within a few years oil throughput has to be boosted sharply to keep up to market requirements.

This is certainly the case with Canada's two "big inch" oil lines — the 1,770-mile Edmonton-to-Sarnia line of **Interprovincial Pipe Line** and the 750-mile Edmonton-to-Vancouver line of **Trans Mountain Oil Pipe Line Co.**

Interprovincial has had an active expansion program under way almost every year since its completion. The tempo of this growth has been stepped up in the last three years.

This year the company completed the looping program between Cromer, Man., and Clearbrook, Minn., by constructing 67 miles of 24-in. pipe between Cromer and Gretna, Man., and 52 miles of 26-in. pipe between Gretna and Clearbrook.

Next year Interprovincial will take its next big marketing step — a 150-mile stride from Sarnia to two refineries in the general Toronto area. This will not only bring another 40,000-70,000 b/d potential refining market within economic reach, but will also further narrow the gap dividing it from the biggest Canadian refining market of all—Montreal, with a refining capacity of 225,000 b/d.

Biggest News

Biggest news on the pipeline front recently has been announcement of a major expansion program for Trans Mountain. To keep up to indicated rapid market growth on the U. S. and Canadian west coast over the next several years Trans Mountain management has now decided on a program that will boost capacity by at least an additional 100%.

The biggest of all — the 70-mile **Pembina** pipeline which taps Canada's biggest known oilfield — has boosted daily throughput to around an average 100,000 b/d rate. Since the field will support an additional 3,500 wells (now about 1,400 operating) the pipeline will have to expand steadily in line with gradually swelling throughput requirements.

The 106-mile **Peace River** pipeline connecting Sturgeon Lake oilfield in northwestern Alberta to the Trans Mountain oil line at Edson, Alta., was completed last March. Average daily throughput rate this year has been estimated at around 15,618 and increasing to 22,663 by 1961.

Trans-Prairie pipeline serving the Manitoba oilfields has been expanding pipeline facilities steadily.

At the end of September the system comprised some 90 miles of line. Early in October the company was granted permission to construct a pipeline system to gather and transport oil from the Weyburn and Halbrite fields of southeastern Saskatchewan to a point in the vicinity of the Midale terminal of the **Westspur Pipe Line Co.'s** line. The system will be designed to handle throughputs of 20,500 b/d.

Here are the major oil pipeline firms now operating in this country and a quick look at their operational highlights:

Interprovincial

The world's longest crude oil pipeline, owned and operated by the Interprovincial Pipe Line Co., plans to extend the line for approximately 150 miles from Sarnia to Port Credit, Ont., early in 1957. The line is expected to be completed by next fall.

This new line will serve two existing refineries with an assured minimum market of 30,000 bbls. per day, a potential of over 70,000 b/d. At present these refineries receive Canadian crude oil by tanker from the Superior, Wis., terminal of Interprovincial.

Present length of the line totals 1,770 miles, stretching from Redwater field in Alberta, via Edmonton, Regina, Cromer,

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(Continued from page 52)

polymerization unit. Estimated cost is $8 million, with completion set for mid-1957. Last year Regent raised capacity to present 14,000 b/d from 8,000 b/d.

Royalite Oil Co. expects expenditures on refinery modernization and expansion to be slightly higher in 1957 than in 1956. Tentative plans call for spending of $850,000 for construction of a 1,500 b/d catalytic hydrodesulphurization unit and a 1,000 b/d catalytic reformer at the Kamloops, B.C., refinery. Construction has already begun on an oxidized asphalt plant and specialty asphalt packaging unit at the Coleville, Sask., refinery.

Shell Oil Co. of Canada this year has completed a $14 million expansion program at its Montreal East Refinery and boosted capacity there to 55,000 b/d (45,000 b/d before). Program included a new crude distillation unit, vacuum flasher, hydrodesulphurizer, platformer, and boiler house and tank extensions. At present installation of an alkylation plant, tetramer and dodecyl benzene units is under way. At the Shellburn, Vancouver, refinery company increased capacity to 19,000 b/d (18,000 b/d before) and brought on stream a new 3,300 b/d platformer early this year. As company plans no major expansion at either refinery in 1957, capital expenditures will be below those for 1956.

Standard Oil Co. of B. C. in past year increased the capacity of its Burnaby refinery to 18,000 b/d (11,000 b/d before). Standard does not contemplate any major capital expenditures for 1957.

Wainwright Producers & Refiners Ltd. expect to boost the capacity of their Wainwright, Alta., refinery to 4,500 b/d from the present 3,000 b/d. Over-all expenditures on refinery for 1957 are estimated at around $1 million, an increase of over $750,000 in 1956. Further units may also be installed. These would probably include a thermo-cracker of 1,800 b/d, a platformer of around 700 b/d and a unifier of 1,000 b/d.

X-L Refineries Ltd. this summer brought on stream its $2.5 million refinery at Dawson Creek, B.C., which began with a 2,000 b/d production.

Anglo-American Exploration Ltd., Anglo-Canadian Oils Ltd., New Brunswick Oilfields Ltd., North Star Oil Ltd., Petroleum Fuels Ltd., and **Sun Oil Co.** did not report any major capital expenditures or expansion.

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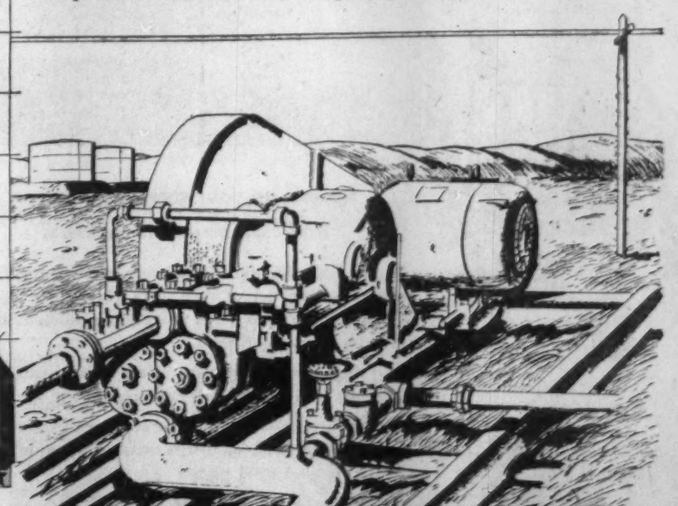

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Pipelines: Oil's Steel Roots

(Continued from page 53)

Gretna, Man., and Superior, Wis., to Sarnia, Ont.

This year the company completed the looping betweeen Cromer, Man., and Clearbrook, Minn., by constructing 67 miles of 24-in. pipe between Cromer and Gretna, Man., and 52 miles of 26-in. pipe between Gretna and Clearbrook.

Permission was granted the company in June, 1956, to extend the present pipeline system from Sarnia to Port Credit, on the western outskirts of Toronto. The new line will be constructed of 20-in. pipe and will be about 150 miles long. Construction is expected to begin in the spring of 1957.

During the first 10 months of 1956 the company reports a steady growth and improvement with receipts and deliveries of crude oil reaching new high levels throughout the entire system, and at the same time operating expenses were reduced.

Present intake capacity of the line at Edmonton is 217,000 bbls. per day, from Regina, 193,000; from Cromer, 241,000, from Gretna, 212,000, with 147,000 bbls. per day delivered at Sarnia. Tankage facilities totaling about 8,189,000 bbls. are being maintained by the system.

During the six months ended June 30, 1956, total deliveries were 47.2 million bbls., as against 36 million bbls. in the first half of 1955. Reports from the company now indicate that for the first 10 months, up to Nov. 1, 1956, deliveries are continuing to increase steadily.

Consolidated net profit for the six months ending June 30, 1956, was $4,650,000, or 92 cents per share, against corresponding figures of $2.9 million or 58 cents per share in 1955.

Trans Mountain

This has been a year of steadily mounting oil throughput for the 718-mile, Edmonton-to-Vancouver pipeline of Trans Mountain Oil Pipe Line Co. Volume which started out the year around 100,000 b/d rate had crawled to a peak of 158,000 b/d in October, with outlook for continuance of this level for last two months. For the entire 1957 period this would average out at a daily throughput of around 129,000 b/d.

This has been a year of big decisions for the management. It became increasingly obvious as the year wore on and demand for Canadian oil on the West Coast and in California expanded, that before long the pipeline would have to be operating at virtually installed capacity to keep up to requirements. Plans were hastily rushed forward to install two new pumping stations. Now with the temporary stations completed capacity has been boosted to 184,000 b/d; when the permanent stations are completed at these locations this rate will be boosted to 200,000 b/d.

But earlier this month plans were disclosed for a further major hoist in capacity to at least 300,000 b/d level. Engineering studies have been going on for several weeks on this plan. One of the big questions yet to be decided: whether to raise capacity just by installation of remaining number of pumping stations (8 stations) or by a major pipe "looping" program. The latter project would cost considerably more but would provide the basis for a much greater capacity—possibly up to 500,000 b/d.

Behind the expansion: A steep boost in demand for Alberta's oil along the West Coast, both in Canada and the U. S. A refinery construction program presently planned for Washington state could add a total new market potential for Canadian oil of around 120,000 b/d by 1959.

Pembina

Operating a pipeline to the Pembina oil field in west central Alberta, the leading oil producing area in Western Canada, Pembina Pipe Line Co. draws from some 1,500 wells now in production within the boundaries of the field. This compares with 650 wells a year ago.

It is estimated that the field will support an additional 3,500 wells or a total of approximately 5,000 wells when the present known area of the field has been fully developed.

The company will continue to expand in line with the development of the Pembina field and its extensions. The 70-mile transmission line and gathering lines were built in late 1954 and deliveries to the terminals of the Interprovincial and Trans Mountain pipelines in Edmonton began in January of the following year, reaching a daily peak of 73,800 barrels by mid-November of 1955.

The present throughput of the company's main line is running approximately 109,000 barrels per day — or at the rate of 39,784,000 barrels a year as against the total delivery for the full year of 1955 of 22.8 million barrels.

Rapid growth of the Pembina field has made possible continuous reduction from the initial tariff of 25 cents a bbl. to the present 12-cent rate. The latest reduction became effective Sept. 1, 1955.

With the installation of additional pumping capacity it is expected the line's output will be increased to 150,000 bbls. per day. The gathering system when completed in 1959 will total nearly 200 miles of from three to 16-in. pipe.

During 1956 the company completed the main pump station adding another 80,000 bbl. tank and a 1,250 hp unit, constructed approximately 100 miles of gathering pipeline, tied in about 100 batteries and electrified a number of field pumping units.

By the end of 1956, the company expects that the 1,500 wells will have a throughput estimated at over 100,000 bbls. per day.

Application was made for a permit to construct an oil transmission line from the Sundre-Westward Ho field through the Alhambra field to tie in with the present gathering system. However, the permit to construct a pipeline from this field was awarded to another firm in March, 1956.

The company plans to build a booster station which will improve the gathering system in 1958 or 1959. Total cost of construction by the time of completion of the new system is estimated at $14,191,000, of which an estimated $11,918,000 was nearly expended from 1954 to 1956.

Revenue from pipeline operations for the period Dec. 1, 1955, to Aug. 31, 1956, amounted to $2,196,753, as compared with $1,395,502 for the period Nov. 22, 1954, to Nov. 30, 1955.

Following is an estimate of the company's earnings for the years 1955 to 1965:

Estimates are based on an 8½% return and throughput of 23,200 bbls. per day in 1955, 49,200 bbls. per day in 1956, and 50,000 bbls. daily thereafter. Throughput was 40,000 bbls. per day in June, 1955. The present throughput of the company's main line is running about 109,000 b/d.

Earnings of Pembina Pipe Line Co. for the period of Dec. 1, 1955, to Aug. 31, 1956, amounted to $2,196,753, as compared with $1,395,502 for the period Nov. 22, 1954, to Nov. 30, 1955.

Peace River Oil

Peace River Oil Pipe Line Co. completed construction of a new pipeline for the transportation of crude oil from the Sturgeon Lake field in northwestern Alberta, to the Trans Mountain pipeline at Edson, Alta.

Initial capacity of the pipeline is estimated at 40,500 bbls. per day with maximum capacity of 57,600 bbls. per day.

The new pipeline was completed in March, 1956, at a cost estimated at approximately $7.5 million.

The line consists of about 106 miles of main trunk line and about 57 miles of gathering lines.

Construction of the new line was undertaken under the supervision of Canadian Gulf Pipe Line Co., which also operates and maintains the system under contract with the company. A shipping agreement has been entered into with the originating group of four Canadian and five American oil production companies, all of which have oil wells in the Sturgeon Lake field.

They have agreed to use the pipeline exclusively for shipping oil produced by them in the area that is sold for delivery to markets served by the company for so long as any series A first mortgage bonds are outstanding.

Estimates of net profit, based on average daily throughputs of 15,618 bbls. in 1956, increasing to 22,663 in 1961, 1962 and 1963 and declining to 20,069 bbls. in 1970, range from $377,300 for 1956 to $268,600 for 1970.

Saskatoon

With an estimated daily capacity of 10,000 bbls. per day, the Saskatoon Pipe Line Co., which owns and operates a 56-mile crude oil pipeline from the pipeline of the Interprovincial Pipe Line Co. to Saskatoon refinery of the Royalite Hi-Way Ltd., commenced operations Nov. 1, 1952.

A deficiency agreement with **Royalite Hi-Way Ltd.** (formerly Hi-Way Refineries Ltd.) provides that if in any year to 1975 the company shall fail to make net earnings of $255,000 after operating expenses but before bond interest, depreciation and income tax, Hi-Way will, subject to certain conditions, make up the difference.

Also, if the company is unable to pay in full any bond interest, etc., requirements, or to complete the pipeline, Hi-Way will purchase at par 4% unsecured promissory notes of the company to amount of deficiency.

Authorized and issued capital of the Saskatoon Pipe Line is 100,000 no par value shares, of which 80% are owned by Royalite Oil Co. Funded debt as of Dec. 31, 1955, was 1,100,000.

Funded debt: 5% first mortgage sinking fund bonds, dated June 1, 1952, and due June 1, 1972. These bonds were authorized without fixed limit, subject to certain restrictions. Issued $1¼ million; outstanding at Dec. 31, 1955, $1.1 million.

Trans Prairie

Production drilling in the Manitoba area served by Trans-Prairie Pipe Lines Ltd., continues monthly to increase the amount of crude oil available to the pipeline for transmission. During the first nine months of 1956 such drilling has increased the proven oil reserves of the area by an amount in excess of the oil transmitted by the pipeline for the same period.

For the first nine months of this year a total of 4,213,800 bbls. of oil has been transmitted, as compared with 2,804,400 bbls. for the same period in 1955.

The company reports an exploration program is presently in progress east of any present production in the Virden field. This offers the pipeline an added growth prospect if successful.

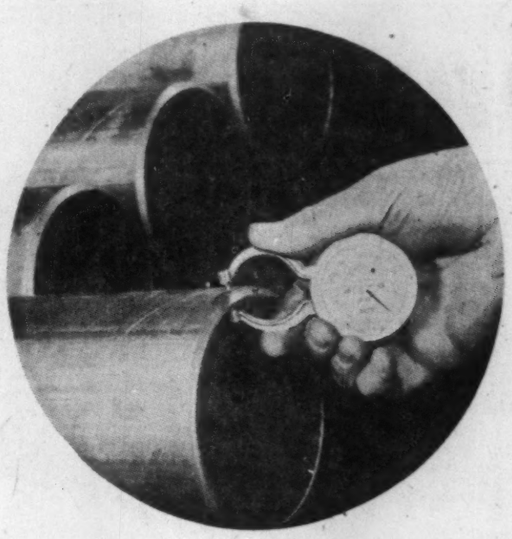
The company owns and operates a pipeline which transports crude oil from the Daly and Virden-Roselea fields of southwestern Manitoba to the Interprovincial pipeline at Cromer, Man.

Increased throughputs have necessitated increased facilities.

In 1954 Trans-Prairie operated 10 miles of pipeline. By the end of 1955 the mileage had grown to 44 miles. As at the end of September, 1956, the system comprised 80 miles of pipeline.

Expenditures for capital account to end of September amounted to $156,000. Additions to the line presently under construction will add 8¾ miles to the system before the end of this year at an estimated cost of $135 million.

Continuing its search for further opportunities in other areas of Canada to build and operate pipelines, the company was granted a Construction Permit by the Saskatchewan Government on Oct. 1, 1956, to construct a pipeline system to gather and transport oil from the Weyburn field and the Halbrite field in the Province of Saskatchewan to a point in the vicinity of the Midale terminal of the Westspur Pipe Line Co.



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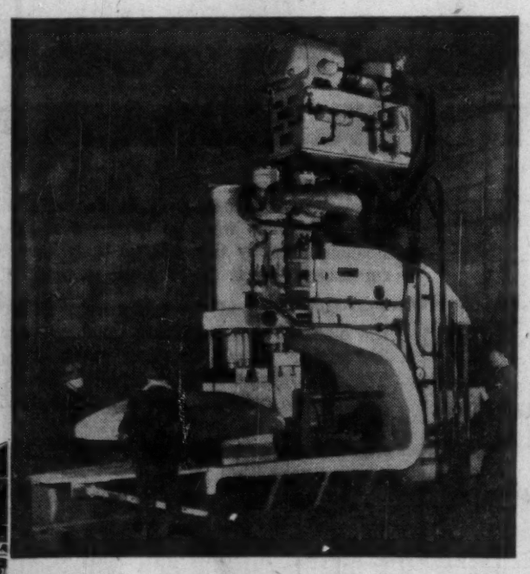

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Oil Companies

Alta. Pac. Cons.

Alberta Pacific Consolidated Oils and its associates recently farmed out their large landholdings in northwestern Alberta and northeastern British Columbia to major companies for exploration.

In the Clear Hills and Notikewin areas of Alberta, approximately 100,000 acres have been turned over to **California Standard** for a cash consideration, with the company's group retaining a gross royalty and percentage of any net profits.

Survey work is under way by the company and two others on about 60,000 acres in the Buffalo Head Hills area in the same general district, and a further 60,000 acres were farmed out to **Compagnie Francaise des Petroles** for cash and a carried interest. The team also retains the privilege of acquiring a participating interest if exploration results should warrant.

Natural gas was encountered on a 40,000-acre spread north of Fort St. John, B.C., by **Richfield Oil Corp.**, which explored the lands under an option agreement. Alberta Pacific keeps a 10% production interest. Encouraging results were also obtained on 20,000 acres in the Fort Nelson area in which the company has a 25% stake.

In the Bindloss area of east-central Alberta, company has 10% in nearly 61,000 acres on which four natural gas wells were completed last year. Further work is planned. Gas from this area is ticketed for eventual export to Eastern Canada.

Company also holds varying interests in nine productive light-oil wells, from which it received revenue of $150,058 during 1955. After all expenses plus depreciation and depletion of $10,854 and reserve of $7,054 for development costs, a net profit of $83,713 was realized. Authorized capital is 5 million shares, of which 2,901,758 are issued.

Altex

Interests were held in 44 oil wells and eight capped gas wells, equal to 5.98 and 1.04 net wells respectively at March 31, 1956. Land interest amounted to 111,235 gross acres, or 15,923 net acres. Of this total, the company's net share of leased lands was 13,062 acres; net share of reservations, 814 acres; net share of gas lease lands, 2,047 acres.

By purchase of 15% participating interest in 1,440 acres in the Pembina field during the 10 months ended March 31, the company's net share of recoverable oil reserves came to 823,000 bbls. Probable net recoverable reserves were estimated a further 797,400 bbls. This compares with 415,261 bbls. of net oil reserves at May 31, 1955.

Net production in the 10-month period ending March 31 this year was 54,763 bbls.

Altex participated in drilling 18 wells in the period of which seven were Cardium oil wells, one suspended at Rocky Mountain House, and eight were successfully completed at Pembina. Another well was completed at Garrington.

Company had a net loss of $18,254 in the 10-month period to March 31, 1956, down from a net loss of $40,990 for the previous year ended May 31, 1955. Net income for the 10 months was $106,581, up from $81,322 the previous year.

Am. Leduc

American Leduc Petroleums has a part of 49 oil wells and 10 gassers in Alberta, Louisiana, Texas and Cuba, plus 50% of 181 stripper wells at Warren, Pennsylvania, undergoing a secondary recovery program.

Also has four operating uranium mines in Colorado and leases three mines in Utah, and has other prospective mining claims in those two states and Washington.

In Cuba the company has brought in 17 oil producers on only 120 acres of its total holding of 11,000 acres in the Jatibonico field. Depth of the wells runs from 1,000 to 1,300 ft., and reserves are estimated at 1.75 million to 2.25 million bbls. About 630,000 acres of leases have been farmed out to **Atlantic Refining Co.** for a cash payment and overriding royalty, and nearly a million acres of concession lands were turned over to Esso Standard Oil, S.A. for a reported consideration of $375,000 cash plus $225,000 in oil payments. Company retained 25% of this last acreage plus a 5% gross royalty.

Company reports net income of more than $10,000 monthly from its eight productive wells in Canada and $40,000 per month from its Cuban producers. It has received more than $4 million from the sale of treasury stock during the past two years, and all its 10 million authorized shares are now issued.

Amurex Oil

Amurex Oil Co. has a working or royalty interest in 88 oil wells in Alberta, Manitoba, Montana and Texas and in 24 gas wells in Alberta and Saskatchewan. A subsidiary owns and operates three drilling rigs.

Acreage position includes 35,000 gross acres equivalent to 13,000 acres net to the company of developed lands, and more than 1.2 million gross or 330,000 net undeveloped acres.

Operations in Canada are carried out by Amurex on behalf of itself and the holders of its voting stock, including **Ashland Oil & Refining Co.** of Kentucky and **Murphy Corp.** of Arkansas.

Current development is centred on 3,200 acres of semi-proven lands in the Midale, Alida, Weyburn and Nottingham fields in southeastern Saskatchewan. After Amurex recovers its development and operating costs out of production the Saskatchewan Government will receive royalties approximating 82%. Company expected to complete 34 wells on these holdings this year.

Natural gas is expected to be sold from the company's reserves in the Hatton area of southwestern Saskatchewan, commencing late next year. **Sask. Power Corp.** has contracted to take 350 million cu. ft. from the company in the first year at a wellhead price of 10 cents per Mcf., and the amounts to be taken are scheduled to increase annually over the 20-year period. The gas would supply the cities of Moose Jaw, Swift Current and Regina.

Revenue from gas and oil production and drilling totaled $639,209 during the six months ended Mar. 31, 1956, as compared with $569,504 in the full year ended Sept. 30, 1955. Net loss for the six months was $310,410 after write-offs of $375,335.

Capitalization consists of 3 million class A and 250,000 class B common shares. All the class B and 1,388,117 A shares are issued.

Anglo American

Anglo American Exploration is engaged in all phases of the petroleum industry in Western Canada.

It has a stake in 37 oil wells and about 21,500 acres in Alberta and Saskatchewan, owns and operates a 4,000-bbl. daily capacity oil refinery near Turner Valley, Alta., and owns, controls or holds under contract more than 800 service stations, bulk stations, etc.

A five-year expansion program now under way calls for the remodeling of many of the present retail outlets and construction of more than 300 new stations. Of the new outlets, 89 are planned to be opened during 1956.

A majority share interest is owned in **Gridoil Freehold Leases Ltd.** and **Canadian Williston Minerals Ltd.** Gridoil holds leases covering 522,000 acres checkerboarded in Saskatchewan and Manitoba, some of which are producing. Canadian Williston has 6¼% mineral interest in perpetuity on nearly 1.5 million acres in the same province. An extensive drilling program is being carried out by major oil companies on some of the lands.

Gross revenue totaled $11,968,940 in 1955, including sales of refined products, etc., of $11,297,224. Net profit was $131,390, equivalent to 11 cents per share. Working capital at Dec. 31, 1955, amounted to $899,646.

Banff Oil

An aggressive policy of land acquisition has increased holdings of **Banff Oil** in Western Canada to 2,765,878 gross acres for a net interest of 676,781 net acres.

These lands are two thirds farmed out to major oil companies with Banff retaining net carried interests. Thus the company has a participation at no further cost to it in a vast exploration program, including the drilling of five deep test wells by the close of this year.

Five out of nine wells participated in during the first nine months of 1956 were productive. These wells, in the Elkton, Bellshill Lake and Wimborne areas of Alberta, contributed materially to the company's reserves of oil, gas, distillate and sulphur.

In addition, Banff has a stake in 48 oil wells and 17 gas wells in Alberta and Manitoba, equivalent to ownership of 9.5 oil and 3.4 gas wells. Net recoverable reserves were reported at the end of last year at 1.3 million bbls. of oil and 6.4 billion cu. ft. of gas. Company's share of net oil production was 51,926 bbls. during the first half of 1956, compared with 48,251 in the corresponding period of 1955.

Merger of Ban with **Scurry-Rainbow Oil**, is rumored; the two companies are associated in many of their activities. Working capital of Banff was $434,255 at mid-year.

Bata Pet.

A 50% interest has been acquired by **Bata Petroleums** in **Charter Oil Co.'s** agreement with the **Sun Oil Co.** on a farm-out in the Weyburn area of southeastern Saskatchewan. Charter is to receive a 50% undivided interest in 34,000 acres in return for drilling three wells.

Bata has interests in the production of oil, natural gas, salt and potash, mainly in Saskatchewan. It owns nine and has interests in four gas wells in Saskatchewan and a share in 16 oil producers in Alberta. Reserves are estimated at 100 billion cu. ft. in Unity area.

The company, which began gas development in the Unity field, Sask., over two years ago, had four Viking-sand and three Unity-sand gas wells earlier this year, of which five were producing and two were capped.

Bata has two producing Viking-sand gas wells in the Vera field, Sask.

It has also participated in:

—Development of 14,800 acres of leases in the Dodsland area, Sask., where there are four capped gas wells of the New Superior Oils group.

—A 10% interest in 760 acres in West Drumheller area, Alta. on which New Superior group completed 12 producing oil wells.

—A 33 1/3% interest in 120 acres in Wainright area, Alta., on which two oil wells were completed.

—Holds a 7½% interest in 320 acres New Norway-Malmo area, Alta. and in two oil wells.

Bata supplies the **Unity Gas Supply Co.**, a wholly-owned subsidiary, with natural gas for town of Unity, Sask., and electrical power for a **Sask. Power Corp.** plant.

In addition, Bata supplies natural gas under contract to **Associated Development Co.**, a wholly-owned subsidiary, for requirements of gas of **Prairie Salt Co.** and holds contract to supply gas to **Continental Potash Corp.** It also receives royalties on salt produced by Prairie Salt Co.

In fiscal year ending March 31, 1956, Bata had a net profit of $55,352 equal to $0.009 a share.

Bailey Sel.

Bailey Selburn and its associates have made what appears to be the most northerly commercial cardium-sand oil discovery in Alberta.

Their wildcat venture in the Cutbank region yielded nearly 200 ft. of 38 deg. gravity crude plus a flow of natural gas at a rate of 100,000 cu. ft. daily from a depth of 5,218 ft. The company's group has 656,000 acres of exploration rights in the general Grande Prairie area.

Company has varying interests in 298 oil wells equal to 69.5 wells net to Baysel, and in 46 gassers equal to ownership of 11 wells. Landholdings total 2.7 million acres for a net holding of 1.5 million acres. Nearly half of the lands are located in the Alberta foothills, and about a million acres are farmed out to major companies for exploration and development.

Subsidiaries own and operate 13 well-drilling rigs, provide technical services in connection with oil drilling and production, and are engaged in the search for oil and gas.

Reserves are estimated at 25 million bbl. of oil proven plus 18 million bbl. probable but undrilled, and 230 billion cu. ft. of proven gas reserves plus 52 billion probable.

Gross operating revenue totaled $6,728,314 during 1955, of which almost $2 million was derived from production and the remainder from contract drilling operations. Working capital was $5,995,721 at the end of 1955, reflecting the sale of $5 million 5% cumulative convertible preferred shares. These are currently convertible into two class A shares for each preferred share plus $4. Other capital comprises 4 million class A and 600,000 class B shares. Of these, 2,652,487 class A and 564,000 B shares are issued.

Bralsaman

Active in all four western provinces, Bralsaman Petroleums has interests in five producing and one shut-in oil well and one capped gas well in Alberta. Company has varying interests in acreage in other provinces.

Prince George Gas Co. was formed by Bralsaman in participation with other interests to supply gas to Prince George, B. C. and nearby territory.

Development activity includes:

Three Anglo-Leduc wells completed in 480-acre area in

(Continued on page 56)

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Oil Companies

(Continued from page 55)

which company holds a 15% interest. Two of the wells reported as profitable producers, one marginal.

Anglo-Rochester No. 1 completed at 4,130 ft. as a gas well with flow of about 20 million cu. ft. daily at Rochester, Alta. Well is capped. Bralsaman has a 12½% interest.

Taber No. 1 drilled to 3,301 ft. found medium gravity oil. Well produced excess of water on test and is standing. Two wells were abandoned. Company's interest in Taber well is 33 1/3%.

Bralsaman has 15% interest in acreage at Pembina and in two cardium-sand oil wells completed last year.

With two other companies, it acquired rights last year from Souris Valley Oil Co. on 5,280 acres in southwest Manitoba. Five tests were to be drilled by Bralsaman and associates for 50% interest in acreage, subject to right of **Pascar Oils** and **Lylemore Petroleums** to elect to participate to extent of 17½% in 1,440 acres to retention by **Canadian Prospect** to undivided 50% in 320 acres. All wells were dry.

In other areas, Bralsaman participated in ventures in Perryvale and East Mahaska areas of Alberta, in a well in Little Prairie, B. C., and in seven wells in southwestern Manitoba. All were abandoned.

Net share of production last year was 3,445 bbls. valued at $9,122, compared with 2,906 bbls. worth $8,072 in 1954, and 672 bbls. valued at $1,870 in 1953.

Bralsaman held $300,000 six-year s.f. 5% notes and 100,000 shares of **West Maygill Gas & Oil Ltd.** and 150,000 shares of Prince George Gas. Co.

Total income last year was $60,517 including crude oil sales of $11,822. Balance sheet for year ended Dec. 31, 1955, showed current assets of $457,496 and current liabilities of $88,862.

Britalta Pet.

Britalta Petroleums intends to acquire at least 80% of the capital stock of **Wilshire Oil Co.** of Texas. Consideration will be up to 1.5 million company shares on a basis of 1½ shares of Britalta for each Wilshire share.

Wilshire is engaged in exploration for and production of oil and gas in the United States and currently enjoys a gross production revenue at a rate in excess of $450,000 per annum. In addition to ownership of undrilled acreage on leases presently productive, it has net interests amounting to more than 135,000 acres located principally in Texas, New Mexico, Wyoming, Colorado, Montana and Utah, and in Alberta. A wholly owned subsidiary of Wilshire, San Francisco Oil Co., owns a share in producing and non-producing oil and gas acreage in California.

In order to carry out the transaction **Britalta's** authorized capital will be increased from 3 million to 5 million shares.

Britalta also has a 50% stake in 12 gas wells and about 150,000 acres of gas license in the Many Island area of southeast Alberta and interests ranging from 25% to 100% in more than 85,000 undeveloped acres, mostly in southwestern Alberta. A wholly owned subsidiary owns and operates six well-drilling rigs.

A contract has been entered into for the sale of gas from Many Island to the **Saskatchewan Power Corp.** The agreement calls for delivery of a minimum of about 211 billion cu. ft. over a 20-year period commencing Oct. 1, 1957. Price will be 9 cents per Mcf. for all deliveries made prior to that date and 10 cents per Mcf. for the first two years thereafter. This contract covers less than half of the reserves estimated for the field.

A further 15 or 20 wells will have to be put down by Britalta and its partner in the field to supplement present wells in order to be able to deliver gas at the peak rate called for.

Revenue from contract drilling, the company's only source of income so far, totaled $1,972,220 during the 15 months ended July 31, 1956. After operating and administrative expenses and write-offs, net loss was $123,847. This was capitalized, as in previous years.

Calalta

Gross acreage in which it holds varying interests was sharply increased in the past year by **Calalta Petroleums.**

The boost gives the company interests in 1,329,364 acres, up from 716,240. Of these holdings, over 900,000 acres are under farmout agreements to seven companies which are carrying out exploration in preparation for drilling commitment wells. Most of the Calalta acreage is petroleum and natural gas reservations in Alberta.

In the Normandville area, the first follow-up well, **Colorado** & associates 8-16 one-quarter mile north of No. 1 discovery well, had a maximum flow rate between 4 and 4.25 million cu. ft. of gas daily. Tests indicated oil.

Further testing is being carried out at the well. The company has 16% interest in this well, another follow-up and stepout venture and in the 14,524 lease acres in the area.

The initial well in the southwest corner of the Alexander Indian Reserve was abandoned after meeting water in the Devonian Reef. A second well to the north was completed as a productive gas well with 25 ft. of pay zone at a depth of 3,900 ft. The well has been taken over by Mid Western Industrial Gas Co. in return for paying completion costs and a royalty of 2½c per 1,000 cu. ft. of gas produced and marketed.

Canadusa

Canadusa holds interest in five gas and seven oil wells in Alberta, B. C. and Quebec, while a subsidiary holds interests in 43 producing wells in Oklahoma.

Management of the company last year was taken over by **Great Sweet Grass Oils Ltd.** and this year its name was changed from Canadian Oil & Gas Reserves, with shares exchanged on the basis of one share of the new company for each five of the old.

Canadusa has varying interests in over 400,000 acres of leases and reservations in Canada and the U. S.

Among development results, company has interests in four wells in Chauvin, Alta., area, three at Drumheller, three at Sunrise, B.C., and two gas wells in Quebec. Its wholly owned subsidiary, **Canadian Oil & Gas Co.,** has interests in lease blocks in Oklahoma on which 43 producing wells are located.

Calvan Cons.

Calvan Consolidated Oil & Gas Co. is now owned 91% by **Canadian Petrofina Ltd.** Control was acquired by Petrofina last year through an exchange of stock. The organizations of Calvan and **Western Leaseholds Ltd.,** also controlled by Petrofina, have been merged for more efficient and economic operation.

Company has varying interests in 101 oil producers equivalent to 37 wells net to Calvan, and in 32 gas wells, mostly in Alberta. Most of the gassers are shut in awaiting a market outlet. A 55% share is also held in a secondary recovery project in Illinois, Indiana and Oklahoma.

Net recoverable reserves were stated to be 18.5 million bbl. of oil, including 5.4 million from the secondary recovery program. Gas reserves were estimated at 105 billion cu. ft., and reserves of condensate at 1.75 million bbl.

Total income for 1955 was $2,717,069, of which $2,059,862 was derived from oil production. Net profit was $880,978 as compared with a net loss of $268,142 the year previous. Working capital at the close of 1955 was $3,443,445.

Canada Oil

Canada Oil Lands has boosted its land holdings and adopted a policy of negotiating farmouts on much of the acreage.

One such farmout—in the Normandville area—has resulted in a flowing oil well from the successful reworking of an abandoned well. Company's interest is 20%.

As a result of recent financing, Canada Oil Lands says it is now in a position to continue its program of land acquisitions and carry out development work in both the Spirit River and Normandville areas.

Varying interests in petroleum and natural gas reservations and lease blocks in Alberta total 1,342,990 gross acres of which 832,139 are under farmout to major companies. Other holdings include 11,859 acres of leases in Alberta.

Canada Oil Lands also holds 3,200 acres of leases in Manitoba, 2,041 acres in Saskatchewan and a 47.5% interest in about 70,000 acres in Ontario.

In the Spirit River area, company owns an undivided 25% interest in lease blocks of 47,876 acres about 17 miles from Grande Prairie in the Peace River district.

Company will retain 25% interest in 9,300 acres of leases in the Herronton area—all farmed out. A well is being drilled on the acreage.

Canada Oil Lands had a net loss of $59,522 last year, down from $66,710 the year before. Income amounted to $6,419 in 1935. At Dec. 31, 1955, current assets were $111,691 as against current liabilities of $44,049.

Can. Admiral

Canadian Admiral is pinning hope on a four-well drilling program mapped out for the fourth quarter of this year. The first well has started drilling.

On a farmout of over 800 acres of oil and gas development rights acquired with **Rio-Palmer Oils** (now **Devon-Palmer**) in southeastern Saskatchewan, the team will pay full costs of drilling a well to about 4,000 ft. depth for a 25% interest in the well and land. The company plans drilling on an adjoining 320-acre tract and **Imperial Oil** will drill a well on company lands in the Auburnton area.

The Hope well in the Wainwright area was found dry and abandoned at 5,555 ft. last summer.

Canadian Admiral is drilling a well on its 160-acre Stevenson lease in Kansas. This development well is being drilled to extend the proven area and to evaluate a second deeper zone. Water-flooding is also under consideration for this lease.

Earlier, Canadian Admiral reported interests in 13 oil wells and six gas wells in Alberta, 25 oil wells and one gas well in the U. S., and varying interests in acreage in western Canada and three American states.

Company's wells are in the Leduc, Redwater, Hamilton Lake and Pouce Coupe fields of Alberta.

Production of the company and its wholly-owned subsidiary, **Canadian Admiral Oils Co.,** which operates in the U. S., amounted to $86,717 for the year ended Feb. 29, 1956. Current assets were $226,916 and current liabilities $48,217 according to the consolidated balance sheet at Feb. 29 this year. A net profit of $28,117 was shown for the year.

Cdn. Anac.

The future of **Canadian Anaconda Oils** is predicated on the successful development of 76,080 acres of Crown leases in which the company has a 5% stake, in the Savanna Creek area of southern Alberta. Company states its policy is to muster its financial resources and restrict its liabilities to costs of developing these lands.

Results of surface work and drilling indicate that the property will prove to be a major natural gas field. The north-south axis of the anticlinal structure is thought to be some 10 miles in length, with the flanks extending for about two miles. The first well flowed gas from four separate intervals over 1,000 ft. of Mississippian limestone at rates totaling over 50 million cu. ft. per day. A one-mile stepout encountered gas in a 600-ft. pay zone at rates aggregating nearly 33 million cu. ft. daily. A third test is being drilled two miles north of No. 1, near the structural crest.

Company also has a 60% net interest in an oil producer in the Redwater field and royalties in a number of Turner Valley wells. Production and royalty revenue totaled $19,712 in the year ended May 31, 1956. Net loss was $50 after provision of $2,838 for depreciation and depletion. Working capital at the end of May was $101,214.

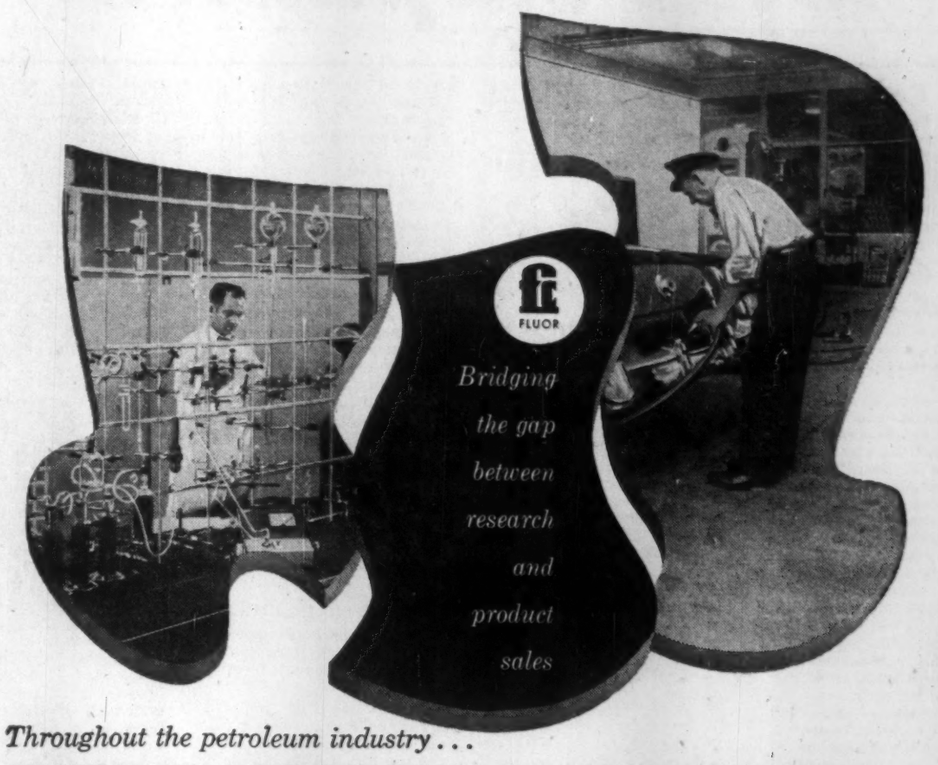
Cdn. Atlantic

Canadian Atlantic Oil Co. is a member of the **Pacific Petroleums** group, and has been chiefly concerned recently in enlarging its gas reserves in the Peace River area for export late next year to the west coast of Canada and the U. S.

Revenue is derived in the meantime from a share in 74 oil producers, most of which are in the Redwater field. Such revenue totaled $1,182,055 during the year ended Feb. 29, 1956, while income from other sources amounted to $282,695.

Landholdings aggregating nearly six million acres are to a large extent being explored by two major companies at no cost to Atlantic. Imperial Oil Ltd. agreed to spend $9 million over a three-year period from January, 1955, on exploration of some 2.5 million acres of company permit lands in northeastern British Columbia. Sinclair Oil Corp. as successor to Southern Production Co. will spend a minimum of $10 million by mid-1958 on about 2.9 million acres in the Peace River area of British Columbia and Alberta and in the plains and foothills of the latter province. Atlantic retains an interest in the lands

(Continued on page 58)



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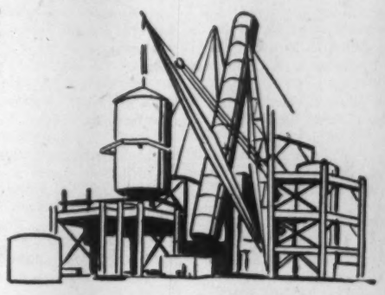

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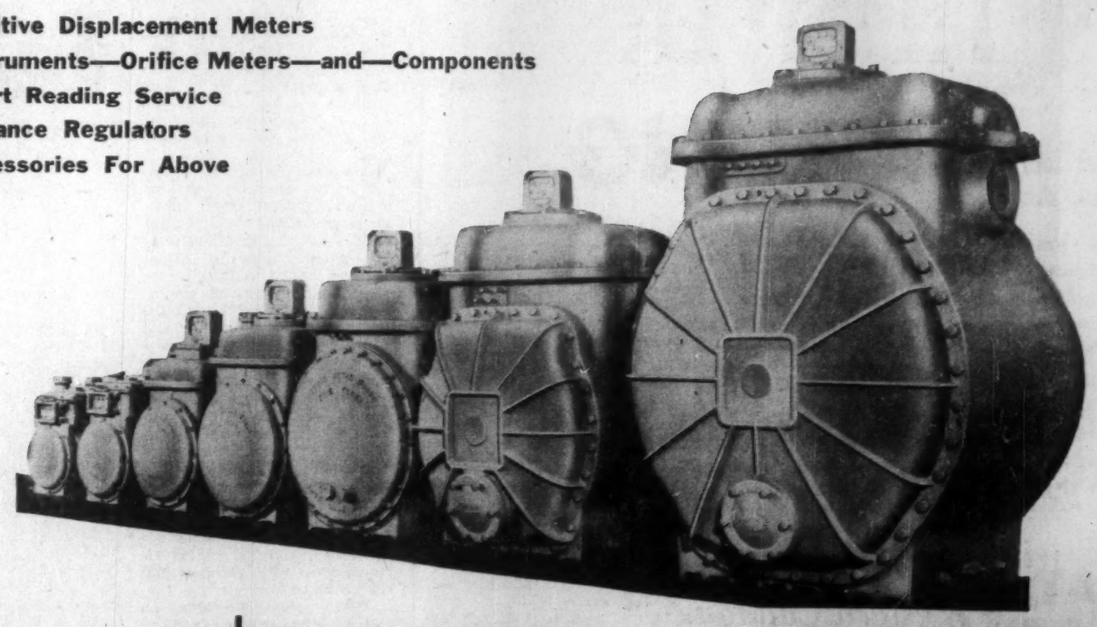

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Oil Companies

(Continued from page 56)

and in any oil or gas discoveries made thereon.

Net recoverable reserves are estimated at 5.5 million bbl. of oil, 250 billion cu. ft. of gas and three million bbl. of natural gas liquids.

Authorized capital is six million shares. Of the 3,230,535 shares issued, nearly 500,000 are held by Pacific Petroleums.

Can. Delhi

A holding company, **Canadian Delhi,** through its subsidiary **Canadian Delhi Oil Ltd.,** has extensive interests in gas and oil wells and in 708,775 gross acreage in Alberta and Saskatchewan.

In addition, it will own up to the time of financing about 25.8% interest in **Trans-Canada Pipe Lines Ltd.**

Two wells in which company has an interest were reported to be drilling recently. Winchell Coulee well, one of the two, is the first of two to be drilled by **Merrill Petroleums Ltd.** for a 50% interest in 960 acres owned by Delhi and **Britalta Petroleums Ltd.**

Delhi has interests in 40 gas wells of which 38 are shut in awaiting market, eight oil wells in Alberta and nine in Saskatchewan. At the end of last year, company had interests equal to 80,971 net acres of gas rights and 256,551 net acres of oil and gas rights.

Canadian Delhi has made a deal with Trans-Canada Pipe Lines which will buy 45 million cu. ft. of gas daily from Delhi's big Cessford holdings in the first year of operations. This will be stepped up to 51.3 million cu. ft. daily for the rest of the 24 years of the contract.

Trans-Canada also agrees to buy 2 million cu. ft. of gas daily from Delhi's Provost holdings.

There are 24 wells in the Cessford area of which 21 are gas or gas and oil wells, and three are oil wells. All are shut waiting for marketing.

Delhi had participated in drilling 130 wells and bought three completed gas wells to the end of last year. Of these 40 were completed as gas wells 17 as oil wells and 75 were abandoned. Delhi's net interest amounted to 22.8 gas wells and 5.8 oil wells.

Reserves at that date were an estimated 432 billion cu. ft. of gas net to the company, of which 107 billion cu. ft. were developed. Proven oil reserves were estimated at 858,000 net bbls. of which 610,000 bbls. were developed.

Among other interests, Delhi has 50% interest in **Hon. Drilling Ltd.** with three rotary-type drilling rigs, and has 25% of nominal capital of **Quebec Natural Gas Corp.** Delhi plans to purchase $1 million more of the latter firm's common stock and to buy all facilities connected with the distribution of manufactured gas in Montreal at a base cost of about $30 million, plus other related equipment.

Can. Br. Empire

This oil and gas exploration and production company, which also does a substantial drilling business in both Canada and the U. S., has recently gained success in a Craig Lake, Alta., venture.

The initial exploratory well, Craig Lake 6-20, yielded gas in the Viking horizon at rates up to 1.5 million cu. ft. daily. CBEO supplied full costs for a 50% interest in the well and land.

Company this fall also joined with **Shell Oil** to drill an exploratory well in the Grassy Lake area.

In addition to holding interests in seven wells in Western Canada and 25 wells in Texas, Illinois and Oklahoma, it owns 22 drilling rigs through its wholly-owned subsidiary, **Arrow Drilling Co.** CBEO developed the drilling phase of its business two years ago when it acquired all the outstanding shares of Arrow drilling through issuing 4 million new shares.

This year, it increased its half interest in **Flanders Gas & Oil** by purchasing all the remaining outstanding shares of that firm. In addition, CBEO controls **Arrow Drilling Co. (Canada) Ltd.** which carries out drilling in western Canada, **British Empire Oil Co.** and **British Empire Oil & Natural Gas Co.**

Company holds interest in 363,613 gross acres in B. C., Alberta, Ontario, Manitoba and in the Williston Basin and mid-continent areas of the U. S. This is equivalent to 165,712 net acres.

Canadian British Empire Oil reported a net loss of $1,517,221 for the year ended Dec. 31, 1955. Revenue from drilling operations was $4,361,477, from production $95,406. Operating and administrative expenses were $4,142,034.

Consolidated balance sheet showed current assets of $1,280,380 and current liabilities of $1,315,032.

Cdn. Devon.

Canadian Devonian Petroleums operates chiefly in southeastern Saskatchewan, where it has a stake in 71 light-oil producers. Interests are also held in three wells in Alberta's Joseph Lake field and in eight in the Virden-Roselea field in Manitoba. Altogether the company's participation is equivalent to ownership of about 42 net wells.

In southeastern Saskatchewan company has 50% interest in 27,720 acres of leases within the presently designated boundaries of the adjoining Steelman, Lampman, Frobisher and Kingsford fields. Development is being carried out by the company and its partner with five rigs, mostly in the Steelman field. Finances are provided by a bank loan of $1,980,000, to be drawn down as required.

A few miles to the east at Nottingham, company owns 2,160 acres of leases which have not as yet been drilled on. One of the tracts is offset on two sides by productive oil wells and the other is just two miles northwest of production.

Exploration plans call for the drilling of three test wells on lands in the general region held jointly with **British American Oil,** and a drilling program on acreage shared with **Canadian Seaboard** in the Gull Lake area of southwestern Saskatchewan. Preliminary evaluation of a 27,000-acre reservation in southwestern Manitoba is also on the books.

Proven reserves of oil, both drilled and undrilled, are estimated at 11,855,110 bbl.

Production revenue totaled $260,139 for the fiscal year ended Mar. 31, 1956, while other income amounted to $16,468. After all expenses and write-offs, net profit was $24,032. Capitalization comprises 3.5 million shares, of which there are 3,402,330 issued.

Can. Export

Gas development by **Canadian Export Gas** continues at a rapid rate as the company prepares for eventual marketing to **Trans-Canada Pipe Lines.**

A contract with Trans-Canada calls for delivery of about 170 billion cu. ft. of gas over a 25-year period from the company's reserves in the Steveville, Atlee-Buffalo-Bindloss areas. In addition, a contract with **Sask. Power Corp.** calls for sale of 78 billion cu. ft. over 20 years from the Medicine Hat reserves.

Among recent activities of the company:

Canadian Export is participating in a 10-well program in the Joarcam area. At latest report, six were drilled of which four were dry holes, one was a gas discovery and one was an oil discovery.

In southeastern Saskatchewan, four wells of a 10-well program have been drilled and all abandoned.

Development drilling included two successful wells in the Bindloss gas field and one on the Jenner gas license. Production tests on the first of the five wells in the Bindloss field rated an open flow potential of 20.5 million cu. ft. of gas daily.

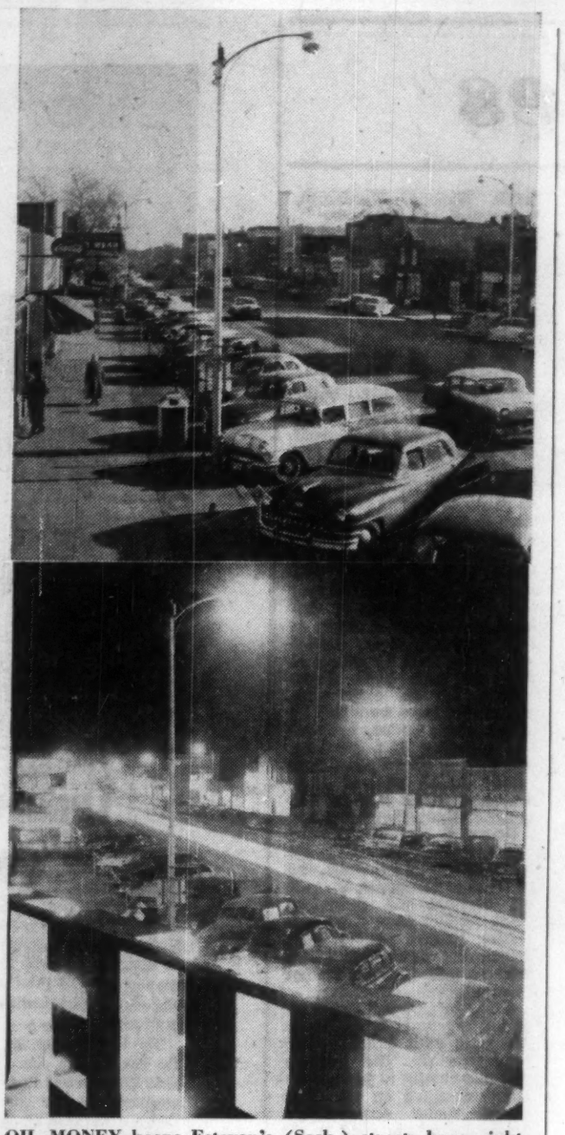
Bluewater Oil & Gas Ltd., in which Canadian Export has about 50% interest, has drilled two dry holes and two productive gas wells in southwestern Ontario. A geophysical investigation covering six permits held by the company under Lake Erie is continuing with results expected by year's end.

Canadian Export at the end of last year had interests in 54 capped gas wells equal to 24.11 gas wells net. It also had an interest in five oil wells, or about three net wells. Company also has an option to purchase a 25% working interest in three areas which would increase its net holdings to 25.07 gas and 3.51 oil wells.

Canadian Export's wells are mainly in the Steveville, Gem, Cabin Lake, Medicine Hat, Manyberries, Atlee - Buffalo-Bindloss and Jenner areas of Alberta.

Canadian Export's share of proven and probable gas reserves has been estimated at 522.21 billion cu. ft. with an option to buy a further 28.13 billion cu. ft. net.

Company recently sold a new issue of $1.5 million 5% convertible sinking fund debentures, due July 15, 1971.



OIL MONEY keeps Estevan's (Sask.) streets busy night and day these days. A promising field has turned this coal mining and agricultural centre into another Prairie boom town.

Funds will be used to continue exploration for new reserves, carry out development of existing reserves and, if needed, to build field gathering systems, the company says.

Cdn. Homestead

Main activities of **Canadian Homestead Oils** during the past year have been exploration of its acreage in the Alberta foothills and acquisition of new lands, reserves and production in southeastern Saskatchewan.

In the foothills the company has acquired six large reservation blocks, five of approximately 40,000 acres each and one of nearly 100,000 acres. Surveys of four of the tracts have indicated that each contains a large geological structure with characteristics of oil and gas-bearing potential. Larger companies have spent or are committed to spend about $500,000 on the blocks without appreciable increase in Homestead's invested cost. Results indicate that more extensive exploration appears justified.

In Saskatchewan company purchased a 25% interest in 190,000 acres of freehold lands in the southern and central section and overriding royalties on 52,000 acres for $312,000; as well as varying interests in smaller tracts in the southeastern portion of the province. The acquisitions also included three recent oil discoveries. Development is under way.

Company has a net working interest in 45 oil and nine gas wells and gross overriding royalty on 261 oil and nine gas producers. Landholdings total more than 2.5 million acres in Western Canada, in which Homestead's net ownership is equivalent to over 529,000 acres.

Net production totaled 138,435 bbl. for a value of $251,823 to the company in the fiscal year ended May 31, 1956. Working capital of $309,980 at that date was later augmented by $525,000 from the sale of stock. There are now 1,784,759 shares issued out of 5 million shares authorized.

Cdn. Pipelines

Canadian Pipelines & Petroleums recently reported that it was deriving revenue from working and royalty interests in 281 wells in the four Western Provinces and Missouri. Also has a share in more than 5.5 million acres in those areas and prospective mining claims in the Northwest Territories.

Over the past two years the company has acquired more than 90% of the issued shares of five companies owning mineral rights and leases in 1.7 million acres, chiefly in southeastern Saskatchewan. Some of the lands are producing and other tracts are under exploration.

Much of the Saskatchewan lands will be explored by **United States Smelting, Refining & Mining Co.** Under the agreement Canadian Pipelines will receive $50,000 yearly for 30 years as consulting fees and the right to take carried or participating interests in the program.

In northeastern British Columbia, **Imperial Oil** is committed to spend $9 million by

(Continued on page 58)

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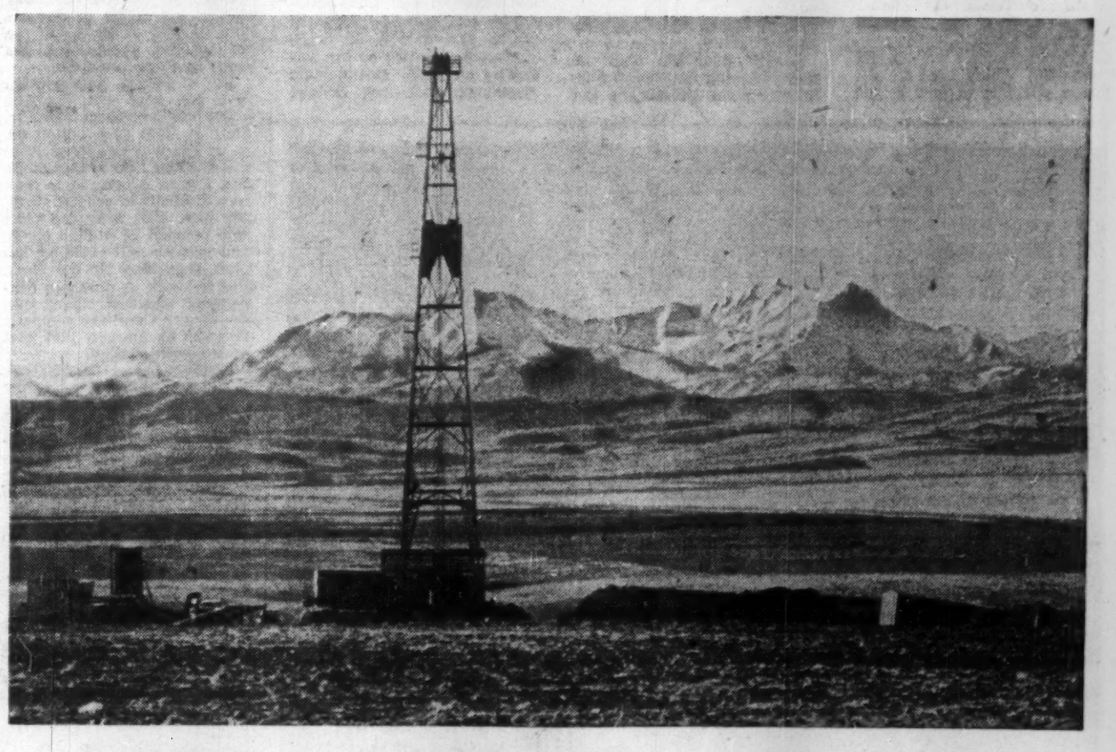

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Husky is growing with Canada.

HUSKY
OIL & REFINING LTD.

GENERAL OFFICES - CALGARY, ALBERTA

Oil Companies

(Continued from page 57)

May 31, 1958, on exploration of extensive properties which include 322,000 acres in which the company has a share. A further 1.5 million acres have been farmed out to **Phillips Petroleum Co.**

Mining interests comprise 112 prospective uranium claims in the MacInnes Lake area, Northwest Territories. Diamond drilling has encountered uranium values which appear to warrant further drilling.

Oil reserves were estimated a couple of years ago at 2.5 million bbls. Gas reserves in the Sunrise area of British Columbia were rated at 98 billion cu. ft. proven and 100 billion cu. ft. indicated.

Total income of $806,601 in the year ended May 31, 1956, was deducted from exploration costs of $1,347,713 and the difference was capitalized. Working capital at the end of May, 1956, was $1,002,513. Capitalization comprises $440,000 convertible 5½% notes due 1969, and 10 million shares. There are 7,664,778 shares issued. The notes are convertible into common stock at $1.50 per share.

Can. Prospect

Drilling activity this year has increased the oil reserves of **Canadian Prospect Ltd.**

Company recently reported it had 33 producing oil wells on leasehold acreage and 99 producing oil wells on acreage in which the company has varying royalty interests.

Canadian Prospect this year extended its drilling program in Manitoba to adjacent semi-proven land north of the Scallion field. Four producing wells have been drilled on the northern boundary of the Scallion field.

There have been 10 dry holes completed out of 50 to be drilled, and five more were drilling, in the eastern part of southwestern Manitoba. Canadian Prospect, which has 663,000 wholly owned freehold lease acres in the area, is sharing the drilling program with others.

Drilling was stepped up in southeastern Saskatchewan this year and there are now 99 wells producing on the company's royalty acreage. Recently there were six wells drilling on this acreage and 11 wells drilling on acreage which offsets it.

Three producing wells in the Fenn-Big Valley field in Alberta continue to flow at the full allowable authorized by the government.

Bluewater Oil & Gas Ltd., which is owned 48.5% by Canadian Prospect and about 50% by **Canadian Export Gas Ltd.**, has drilled two dry holes and two productive gas wells in southwestern Ontario. Canadian Prospect owns about 25% stock interest in Canadian Export.

Net loss of the company in the past year ended April 30, 1955, was $172,772 after production and general expenses of $201,509, dry holes and abandonments of $46,478, depreciation of $54,184, depletion and amortization.

At July 31, 1955, pro forma consolidated balance sheet shows total assets of $3,601,485, current assets of $1,441,272 including cash of $1.3 million. Current liabilities totaled $49,246.

Cdn. Superior

Canadian Superior Oil Co. of California had interests at Aug. 31 in 259 oil wells equivalent to ownership of 150 wells, and 9.2 net gas wells. Land position comprised approximately 3,034,000 net acres under lease and reservation in the three Prairie Provinces.

Net production totaled 1,481,949 bbls. during the fiscal year ended Aug. 31, 1956, for an increase of nearly 41% over the previous year. Daily production averaged 5,220 bbls. during August compared with an average of 4,049 bbls. during the fiscal year.

Participations were taken in the drilling of 219 wells during the year, resulting in the completion of 122 oil and seven gas wells. Ninety of the ventures were dry. Of the total wells drilled, 38 were wholly-owned, 71 were drilled jointly, 55 were under farm-outs in which the company had 50% carried interest and 17 where a royalty interest was retained. Dry hole, bottom hole and other contributions were made toward the remaining 38 drillers.

Net proven drilled reserves in Canada were recently estimated by a firm of independent oil consultants at 12.8 million bbls. of oil and distillate and 87.4 billion cu. ft. of gas. In addition, proven reserves not yet drilled were estimated to be 8.6 million bbls. of liquids and 6.1 billion cu. ft. of gas.

Credits available under a new financing agreement plus income from production are expected to be adequate to continue the expansion program planned. The plan contemplates an increase in net production during the current fiscal period comparable at least to the increase realized in the fiscal year just ended.

Under a credit agreement executed Sept. 1, 1955, company had borrowed $3.5 million by the end of October of this year. A new agreement being executed, retroactive to Nov. 1, 1956, to replace the old agreement will provide for the borrowing of $13.5 million conditional on maintaining certain net reserves of oil and gas. The previous borrowings would be repaid from the new loan.

A wholly-owned subsidiary, **Canadian-American Oil Co.**, has obtained a quarter interest in properties in Oklahoma. Its net share of production from the eight producing wells on the properties is approximately 1,000 bbls. a month.

Net proceeds from production amounted to $3,491,126 during the 1956 fiscal year. In line with company policy this was deducted from total expenditures during the year of $7,196,951 and the difference was capitalized. Such pre-production expenditures capitalized from inception of the company aggregated $21,779,955 at Aug. 31, 1956.

Can. Williston

Canadian Williston holds an undivided one-half interest in lessor's or landholder's royalty — usually 12½% — in some 8,000 parcels totaling over 1.4 million acres of freehold mineral interests in Western Canada.

Located in southern Saskatchewan and southwest Manitoba, each parcel entitles Canadian Williston to a one-half interest in perpetuity in mineral royalties together with the registered owner of the minerals.

In addition, the company has an option to buy from the owners a petroleum and natural gas lease for 99 years, on termination of the existing lease. Canadian Williston does not expect to exercise the bulk of its options until 1960, but some leases have now been terminated and the company has leases on over 4,000 acres.

The company has property within the proven or semi-proven boundaries of the following oil fields: Nottingham, Steelman, Frobisher, Midale, Ralph, Wapella, Woodnorth, Whitewater and Waskada.

Balance sheet at the end of last year showed current assets of $7,061, total assets of $3,367,109, current liabilities of $82,109 and capital surplus of $3,049,999.

Calg. & Edm.

Calgary & Edmonton Corp. obtains revenue from leasing the drilling rights on its lands in Alberta, from royalties and participations in wells completed on the acreage and from its policy of sharing in exploration in other areas from time to time.

Owns mineral, oil and gas rights on more than 1.1 million acres checkerboarded over two areas, one south of Calgary and the other north of that city. Of these, 316,433 acres were held by others at June 30, 1956, under leases granted by the corporation, and 303,910 acres were held by others under option. Interests from less than 1% to 100% are also held by the corporation in nearly 180,000 acres of leases and reservations in a number of areas throughout Alberta.

Company has participating and/or royalty interests in 194 oil wells and 19 gas wells, and its share of production of crude oil, naphtha and absorption plant product from these producers totaled 584,671 bbls. during the fiscal year ended June 30, 1956. Reserves are not reported.

Gross income for the fiscal period aggregated $2,276,310 compared with $2,066,654 the year previous. The increase was due chiefly to bonus payments obtained on the areas placed under options and leases during the year. A net profit of $1,015,792 was realized in the 1956 year, equal to 42 cents per share. Dividends of 10 cents per share were disbursed, as in each year since 1943.

Working capital in mid-year was $3,093,977. Marketable securities of $3,215,050 (market value $3,914,500) included investment of $265,858 in **Trans-Canada Pipe Lines Ltd.**

Canso Nat. Gas

Canso Natural Gas has a substantial interest in four proven gas fields in Saskatchewan and Alberta and in undeveloped prospective gas lands in those provinces.

Has a 26.28% participation in a gas unit area covering about 50,000 acres at Coleville, Sask. A total of 3 billion cu. ft. of gas was delivered from this field in 1955 to Saskatoon and Prince Albert, at a peak rate of about 18 million cu. ft. per day. This year the peak rate reached 20 million cu. ft. and greater deliverability has been requested by the Sask. Power Corp. A purchase contract has also been signed with the Power Corp. for company reserves at Hoosier, just west of Coleville-Smiley.

Other gas reserves at Hatton, Sask., and Sibbald, Alta., are still shut in, but the gas at Hatton is contracted to the **Power Corp.** and that at Sibbald will be sold to **Trans-Canada Pipe Lines.**

In the Three Rivers area of Quebec the company has farmed out 60,000 acres from **Inter-City Propane Ltd.**, and five well locations have been selected. Canso will earn 50% interest by completing the drilling program.

Revenue totaled $117,229 during 1955. After deducting this from expenditures of $226,374, the difference was capitalized. Working capital at Dec. 31, 1955, was $149,754.

Canso Pete

Perhaps the most significant development in the history of **Canada Southern Petroleum** is its agreement with **Phillips Petroleum Co.** covering nearly 2 million acres of company lands in northeastern British Columbia.

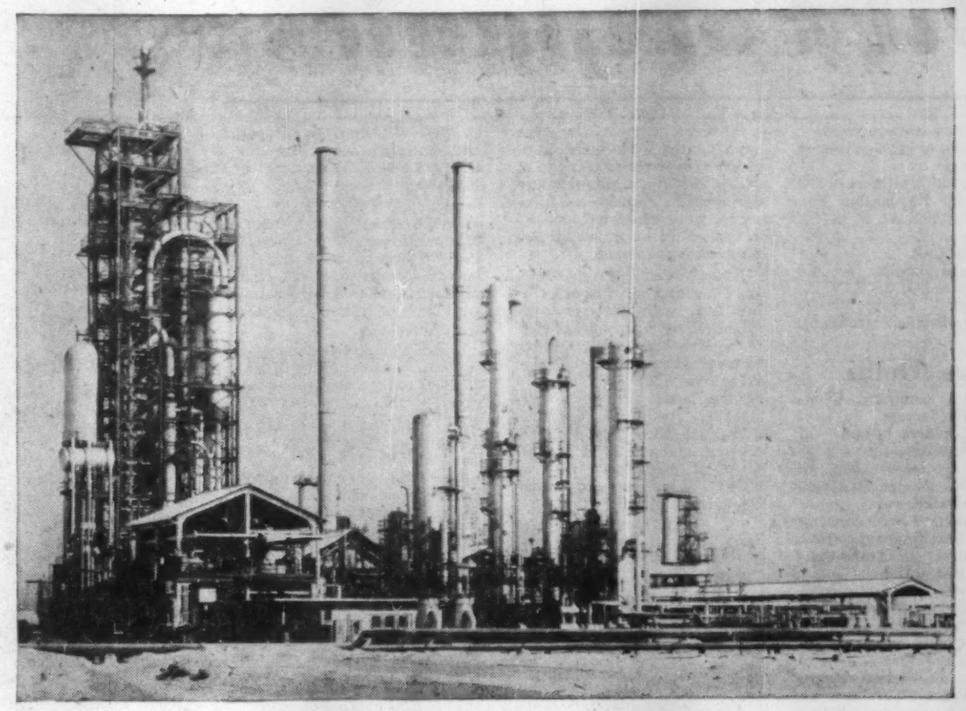
Phillips will earn 50% of the company's 26% to 100% interest in the permits by providing full costs of exploring them.

A further 1.3 million acres in the area are farmed out to **Pacific Petroleums**, with the company retaining net carried interests of 13¾% and 21¼%. This acreage was in turn farmed out to **Southern Production** and **Imperial Oil**, who are conducting extensive exploratory programs thereon. Company estimates that at least $5 million will be spent annually on its holdings for some time to come.

Several gas discoveries have been made near to company holdings, and the Fort St. John gas field now extends to within two miles of one permit. Another permit is only three miles south of the promising Boundary Lake oil pool.

A wholly owned subsidiary is conducting an exploratory and development program in the Powder River Basin of Wyoming. It now has a working share in 14 producing oil wells in the South Glenrock field, and averages a daily production of about 400 bbls.

(Continued on page 59)



Lummus, Aramco teamwork supplies more quality gasoline from Saudi Arabia

In August at Ras Tanura, Saudi Arabia, a 12,500 B/D Fluid Hydroformer is undergoing its first turnaround since it came on stream in October, 1955. For the past 10 months this unit has supplied 92.5 F-1 clear octane blending stock to European and Middle East markets, where the need for quality gasoline is growing rapidly.

The Hydroformer was designed and engineered by Lummus for The Arabian American Oil Company under license from Esso Research and Engineering Co. The process, though more complex than any other in the Ras Tanura Refinery, was designed for ease of operation to fit in with the Company's policy of training and upgrading Saudi Arab nationals to the fullest extent.

Close liaison among the three groups during all phases of design and construction has paid off. Startup was smooth, with all facilities operating at full design rate soon after feed was introduced. And the plant has been operating successfully ever since, at and above the design rate. In all cases, hydroformates of premium quality have been obtained from the high paraffin – low naphthene stocks characteristic of Arabian crudes.

Test runs at feed rates of 12,500 – 16,300 B/D have yielded products of 94.8 – 87.4 F-1 clear octane. There has been no difficulty in making the 92.5 octane design product at rates up to about 13,500 B/D. These tests indicate that hydroformates close to 95 F-1 clear can be produced in good yields, and should higher quality be needed, more severe hydroforming conditions appear to be feasible.

Aramco's new Hydroformer is one of over 700 major Lummus installations throughout the world. The excellent operating record of this new unit, and of Lummus plants in general, proves the case for coordinated direction of a project from idea to startup. Lummus teamwork can pay off on your next project.

THE LUMMUS COMPANY CANADA LIMITED, 455 Craig St. W., Montreal, Que. *Engineering and Sales Offices:* New York, London, Houston, Bombay, Paris, The Hague. *Sales Offices:* Chicago, Caracas. *Heat Exchanger Plant:* Honesdale, Pa. *Fabricated Piping Plant:* East Chicago, Ind. Licensed Manufacturers of Heat Transfer Equipment throughout Canada.

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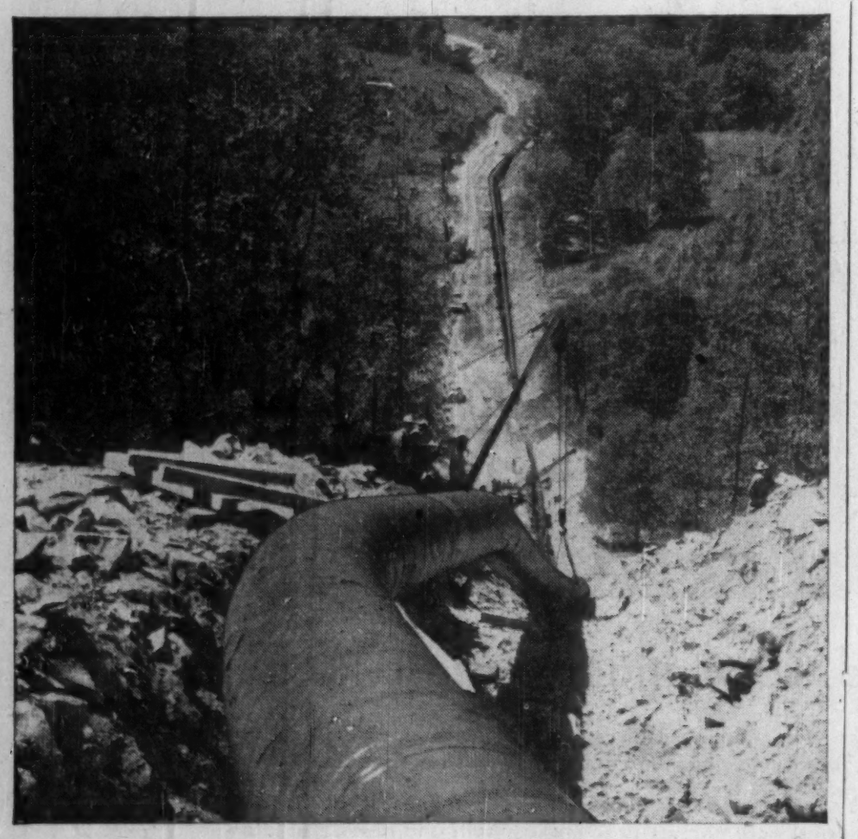
ENGINEERS AND CONSTRUCTORS FOR INDUSTRY



UNDERCOVER AGENTS AT WORK

Dependable protection against underground corrosion is one of the most essential considerations in the installation of any pipeline. This protection usually consists of an insulating, corrosion-inhibiting coating applied to the pipe surface, with further shielding provided by a wrapper to resist abrasion and soil stress. These are the "undercover agents" that safeguard pipeline installations against corrosion leaks and deterioration.

Today, leading Canadian utilities and pipeline companies look to Dearborn for long-term protection of one of their most important investments—the carrier pipe that must transmit material thousands of miles to its consumer. Dearborn's NO-OX-ID Coatings and NO-OX-IDized Wrappers provide chemical and mechanical protection against moisture penetration and soil action—protection that lasts for decades—on installations under ground or under water.

Whether applied by hand... by Traveliner... or at the mill, Dearborn Coating Combinations are your best assurance of dependable, long-life protection. On your next pipe-coating job, you'll find it pays to specify Dearborn NO-OX-ID.

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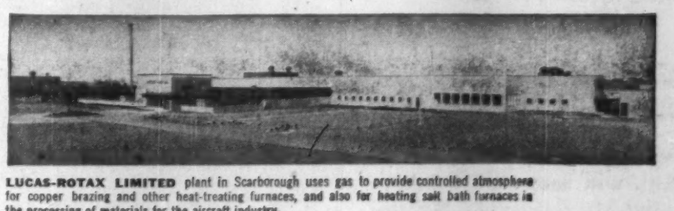
NOW ENJOY THE ADVANTAGES OF NATURAL GAS

PEEK-FREAN COMPANY LIMITED—East York, uses gas for its even heat, cleanliness and efficiency in their huge biscuit ovens.



LUCAS-ROTAX LIMITED plant in Scarborough uses gas to provide controlled atmosphere for copper brazing and other heat-treating furnaces, and also for heating salt bath furnaces in the processing of materials for the aircraft industry.

DEPENDABLE GAS SUPPLY ATTRACTS NEW PLANTS

Many industries have proved that Natural Gas is the most efficient and economical source of heat for a wide variety of processes.

New, lower rates for natural gas in Greater Toronto make the third rate cut in 18 months . . . bring new operational economies to those industries that use natural gas in their processes. **Now** is the time to investigate the many advantages Natural Gas offers **your** industry.

The Consumers' Gas Company maintains an expert Engineering Department that will be pleased to explain how Natural Gas can serve you best. Call or write to Industrial Division, Consumers' Gas Company, 19 Toronto Street, Toronto, Canada.

THE Consumers' Gas
COMPANY OF TORONTO

Oil Companies

(Continued from page 58)

Additional acreage has been acquired in the area and development is scheduled to commence shortly. The subsidiary also plans to extend its operations into the western portion of the Denver-Julesburg Basin.

Company had a total income of $301,202 during 1955 while the U. S. subsidiary received $471,002. A total of 5,023,659 shares are issued out of the 8 million authorized.

Canso Oil

Canso Oil Producers owns or has a share in 58 light-oil wells and 18 producers of heavy-grade crude in Saskatchewan, and in 1,563,000 acres equivalent to 245,312 net acres in that province, Alberta and British Columbia.

In the Eureka and Smiley-Dewar fields the company, in addition to development drilling, has been reworking older wells with new sand-fracturing methods with success. However, work-over operations in the nearby Buffalo Coulee heavy-crude field did not produce satisfactory results and further work in this area has been deferred. Farmout to another operator of a large block of unexplored lands in the Hoosier-Dewar sector is being negotiated.

In northeastern British Columbia, net carried interests of 2.5% and 7.5% are held in about 1.3 million acres of permit lands. Much of these are under exploration by major companies at no cost to Canso. Natural gas has been discovered on and near several of the tracts and oil in commercial quantities was encountered in the Boundary Lake area immediately north of a large permit.

In Alberta company has 4,214 net acres out of a gross holding of 53,490 acres in the Acadia-Sibbald, Stettler and Millet-Kavanagh regions.

Net production of oil amounted to 552,357 bbls. having a value of $1,122,348 in the fiscal year ended Mar. 31, 1956. These totals represent increases of 29% and 49% respectively, over the previous year. After expenses and write-offs net loss for the 1955-56 year was $453,316.

Authorized capital is 4 million shares, of which 2,511,833 shares are issued and outstanding. There are also $3,739,000 convertible 5% debentures due 1961.

Central Leduc

Merger of **Central Leduc Oils** with **Del Rio Producers** is currently rumored. Basis of exchange is expected to be three shares of Central for four of Del Rio, and Central would be the continuing organization.

The two companies have been associated in most of their activities since their inception, and have for the most part an interlocking executive and directorship. Central also acts as manager for Del Rio.

Development this year has been centred on the nearly 17,000 acres of leases jointly owned by the two companies in the Weyburn field in southeastern Saskatchewan. At mid-year the team had 14 light-oil wells on production, including field development wells and step-out ventures, and planned to complete four wells per month by November. Reserves here of the team are estimated at 10.68 million bbl. of proven oil and 9.9 million bbl. probable. The Weyburn field has not as yet been delimited in any direction.

Exploration is contemplated by the companies on selected lands owned by them adjacent to production in the area to the south, between Weyburn and the United States border.

Central Leduc also has an interest in 28 producing light-gravity oil wells in Alberta and owns two drilling rigs.

Gross revenue for the year ended July 31, 1955, amounted to $1,023,222, including income of $632,363 from production and $390,859 contract drilling revenue. Capitalization consists of $1,668,000 convertible 5% debentures and five million shares, of which 2,758,005 shares are issued and outstanding.

Central Ex.

Central Explorers has a stake in 31 productive oil wells in Alberta and Texas, as well as leases and reservations in those areas and in Saskatchewan and British Columbia.

Company recently acquired more than 500,000 shares of **Petrol Oil & Gas Co. Ltd.** through an exchange of stocks on the basis of one share of Explorers for three Petrol shares.

Company is contributing 25% of the costs of drilling three wells on an 83,000-acre block of leases in the Whitelaw area northwestern Alberta. First two wells were dry. For its contribution company will earn 12½% interest in the lands and any production. In the same general area a well put down on 187,000 acres in which the company has a stake encountered an oil-bearing sand at a depth of about 7,000 ft., but was abandoned as non-commercial after being drilled to a total depth of 13,560 ft.

Reserves were estimated in mid-1955 at 675,800 net barrels of oil in Alberta and 25,696 in Texas, plus 81.8 million cu. ft. of gas in Alberta's Leduc field and 199.28 million cu. ft. in Texas.

Sales of oil and gas totaled $194,678 during 1955 as against $245,041 in 1954. Net loss for 1955 was $488,200 after depreciation, depletion and amortization of $577,608.

Capital consists of $350,000 convertible redeemable 5% debentures due 1965, and 2 million common shares, of which 1,429,846 are issued. The debentures are currently convertible into common stock at a price of $5 per share.

Charter Oil

Charter Oil Co. recently made an interesting discovery of oil in the Youngstown area of east-central Alberta. Light gravity crude was encountered below a depth of 3,700 ft. Company has a stake in 36,160 acres surrounding the find and has begun a second well a mile to the southwest.

Company also has a share in 32 producing oil wells and four capped gas wells in Alberta and a gasser in British Columbia; plus varied interests in more than three million acres in Western Canada and Montana.

Also has a substantial stockholding in **Northern Ontario Natural Gas Co.**, which plans to distribute natural gas to communities in northern Ontario.

An exploration program is in progress on 34,000 acres in southeastern Saskatchewan which the company farmed out from **Sun Oil Co.** Charter has sold a 50% interest in its share of the project to **Bata Petroleums** in return for 660,000 shares of Bata.

Authorized capital is four million shares, of which 2,322,852 are issued.

Commonwealth

Commonwealth Petroleum Ltd. has about 10,000 acres of leases and 3,240 acres of reservation lands in Alberta, and controlling interest in **Commonwealth Drilling Co.**, Commoil Ltd. and Command Oils. A 5% stake is held in seven producing oil wells in the Redwater field.

The drilling firm is the largest well-drilling contractor in Canada, owning and operating 27 rigs. Commonwealth Petroleum holds approximately 1.35 million out of 1.83 million shares issued.

Commoil Ltd., in which the company has 860,707 out of 1.1 million shares outstanding, owns six oil producers in the Turner Valley.

Chief assets of **Command Oils** are its substantial share holdings in **Commonwealth Drilling** and Commonwealth Petroleum. The parent company, in turn, owns 1.5 million Command shares of the 1.7 million issued.

Gross income of Commonwealth Petroleum for the year ended Sept. 30, 1955, totaled $1,177,947, of which $37,637 was derived from production and $1,037,502 was dividends received from its subsidiaries.

Net profit was $1,034,697, of which approximately $700,000 was disbursed to its shareholders in dividends, as in the previous three years.

The latest dividend, paid Oct. 19, was 15c per share compared with 35c paid in each of the three preceding years.

Cons. Dragon

A third successful gas well completed at Jenner, Alta., has boosted the outlook for **Consolidated Dragon.**

The well, with an indicated flow of 10 million cu. ft. daily, was drilled on a block of 13,000 acres in which the company has a 40% interest. **Canadian Export Gas Ltd.** is the exploration company here where two gas wells were previously completed and shut in.

Consolidated Dragon is reported to hold interests in 17 oil, wet gas and eight gas wells in Alberta and Texas. It also has interests in over 1.3 million acres in Western Canada and Texas.

This year, 250,000 shares of the company were underwritten at 45c, bringing issued capital to 2,512,502 shares.

Consolidated Dragon's biggest interest is in the Malmo, Alta., area. It has a 14% interest in 160 acres on which seven oil wells are producing, 100% interest in 40-acre farmout, subject to gross royalty, on which an oil well was completed. Latter well is shut in.

Company has 25% to 50% share in 960 acres and three producing oil wells at Hamilton Lake, Alta.

Other areas where development has been done include Redwater, Camrose, Vermilion, Killam, East Cessford, Youngstown, Jenner-Atlee and Grande Prairie in Alberta, and in Virden, Man.

Balance sheet at Sept. 30, 1955, showed total assets of $1,139,566, current assets of $89,911 and current liabilities of $41,590.

Net production revenue in the nine months to that date was $39,771 after royalties and expenses. Net loss was $19,384 after administration and general expenses, development expenses and amortization.

Cons. Allenbee

Interests of **Consolidated Allenbee** include 18 oil wells and 20 gas wells in Alberta and Saskatchewan and in acreage in Western Canada.

Company was formed to acquire all assets of **Allenbee Petroleums Ltd.** and **Cardinal Petroleums Ltd.** through an exchange of stock on the basis of three shares of Consolidated Allenbee for each five shares of Allenbee and two shares of Consolidated Allenbee for each five shares of Cardinal.

Recoverable reserves last year at Leduc were estimated at 500,000 bbls. of oil and 600 million cu. ft. of gas. At Lloydminster, total proven development, undeveloped and probable oil reserves were 530,000 bbls. Estimated gas reserves at Steveville were 13.597 billion cu. ft.

The company has interests in 14 wells at Leduc, two at Lloydminster, 19 gas wells at Steveville, one well at West Texas, one capped gas well and one oil well in other areas.

Cons. East Cr.

Consolidated East Crest Oil Co. holds varying interests in 20 oil and three gas wells in Alberta, equivalent to ownership of 8.46 oil and 2.12 gas wells. The crude oil producers are located chiefly in the Leduc (8 wells), Joseph Lake (3) and Fairydell (7) fields.

Landholdings comprise a stake in 273,998 acres of leases, reservations and permits in British Columbia, Alberta, Saskatchewan and Ontario equal to 30,591 acres net to the company.

Net proven reserves of oil are estimated at 1,254,901 bbls.

Oil sales totaled $251,954 during 1955. Net earnings of $132,690 for the 15 months ended Dec. 31, 1955, were all written off to amortization of well costs, depreciation and depletion, as in previous years.

Authorized capital is 5 million shares, of which 1,549,174 are issued.

Cons. Mic Mac

The 19th well has been staked in the 25-well program being carried out by **Husky Oil & Refining, Mic Mac** and **Commercial Minerals** on a farmout from **Canadian Superior Oil of California** in southeastern Saskatchewan.

Fifteen wells have been drilled, including Huntoon No. 1 which is an extension to the Midale field, four wells were abandoned and others are drilling. Mic Mac's interest in the wells and acreage is 17½%. Altogether, there have been five discoveries to date.

The farmout covers 20,480 acres east of Weyburn, Sask.

Consolidated Mic Mac has varying interests in over 50 oil wells in Alberta and in about 1.1 million gross acres in Alberta, Saskatchewan, B. C., Manitoba and Montana.

At Whitecourt, Alta., the company has joined with others in unitizing 8,760 acres of leases and the group has farmed out the block to **Merrill Petroleums** who will earn 50% interest by drilling. Mic Mac holds 3.6% interest of 50%.

Company and associates farmed out 100,000 acres of reservations last year at Clear Hills, Alta., to **California Standard Co.** in return for $130,000 cash, 2½ gross royalty and 15% net carried in 80,000 acres, 20% in 20,000 acres.

Interest in wells and development carried out at Leduc, Woodbend, Camrose, Lloydminster, Sturgeon Lake, Joffre and Pembina.

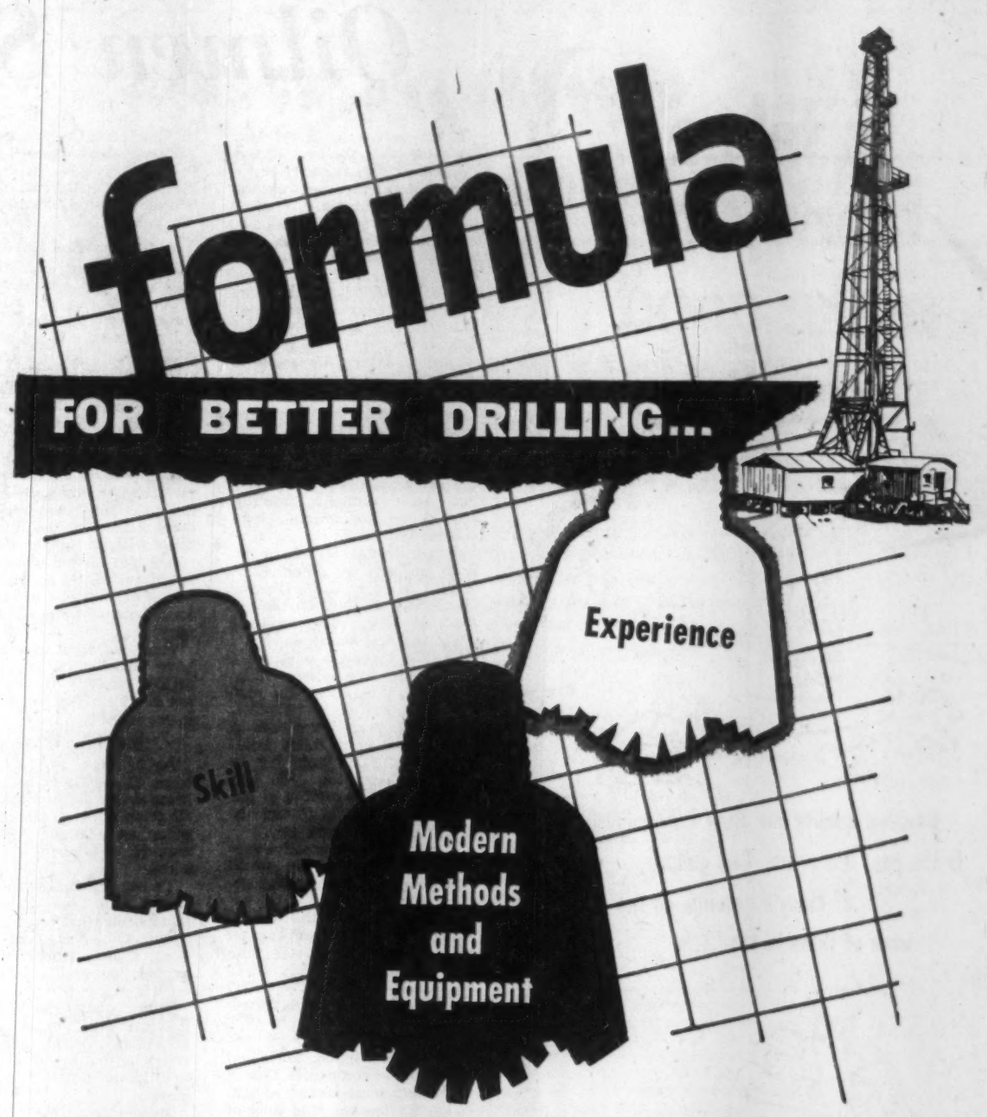
Mic Mac's share of reserves are estimated at 9 million bbls.

Mic Mac has an interest in **Peace River Pipe Line Co.** which owns and operates a crude oil pipeline from Sturgeon Lake field to **Trans Mountain** pipeline near Edson, Alta. Mic Mac subsidiaries include **Mac Oils Ltd., Banner Petroleum Corp.** and **Skyline Oils Ltd.**

Consol. West

Consolidated West Petroleum is engaged in exploration for and production of natural gas

(Continued on page 73)



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GENERAL PETROLEUMS OF CANADA Limited

224 - NINTH AVENUE W., CALGARY, ALBERTA

Rockwell Report

FOR CANADA

W. F. ROCKWELL, JR., *President*
Rockwell Manufacturing Company

THIS FALL MARKS the end of our first year as a Canadian manufacturer of gas meters, regulators, and other measurement and control equipment. These products are manufactured at our plant at Guelph, Ontario, which we acquired several years ago through the acquisition of the Callander Foundry and Manufacturing Company.

This fine company was founded in 1916 by A. C. Callander and his five sons (two of whom are still active in the business), as a manufacturer of conduit fittings and gray iron castings. It grew soundly through the years, contributed greatly to Canada's war effort, and after World War II broadened its product lines to include Beaver Power Tools. We have enlarged these facilities, and a year ago began the manufacture—in addition to Callander's original products—of some of our equipment for Canada's oil and gas industry. As time goes on, we plan to manufacture more of our products in Canada, including not only additional gas and petroleum equipment, but Delta Power Tools as well.

While we are new here as manufacturers, many of our products have been serving Canada for a long time on gas and oil lines throughout the country. The first 500-mile segment of the Trans-Canada Pipeline is being equipped with Rockwell-Nordstrom valves. Many of these were made in Canada by Peacock Bros., Ltd., who have represented us for many years as a manufacturing licensee.

Through the years we have grown, in the United States, from a one-product, one-plant company to a corporation making 17 basic products in more than 20 modern plants. Our decision to come to Canada grew out of our belief in the long-range importance of Canada's great oil and gas reserves, and in the sound, dynamic future of the entire Canadian economy.

It is our sincere desire to grow in Canada, *with* Canada. And we hope to do that through providing better products and better service to Canada.

• • •

New Rockwell Products: Our Beaver Power Tool Division has recently introduced its new, budget priced 8" Tilting Arbor saw, offering many safety and convenience features usually found only on much more expensive tools. . . . A new, domestic gas meter, tailored especially for Canadian markets, has successfully passed all Dominion approval requirements, and will soon be introduced by our Gas Products Division.

• • •

We are now manufacturing the famous Dual Parking Meter in Canada. This is the result of our recent acquisition of Dual Parking Meter Co[illegible] and its parking meter facilities here in Canada, in the United [illegible]es, in Australia, and in several other localities.

• • •

Through an intensive training course at our various plants, the Sales Engineers representing Rockwell Manufacturing Company of Canada, Limited, have become thoroughly familiar with the manufacture and use of our rather broad product line. All of these men, incidentally, are Canadians by birth, as is the General Manager of our factory here.

One of a series of informal reports on the operations and growth of the

ROCKWELL MANUFACTURING COMPANY
PITTSBURGH 8, PA.
For its customers, suppliers, employees, stockholders, and other friends

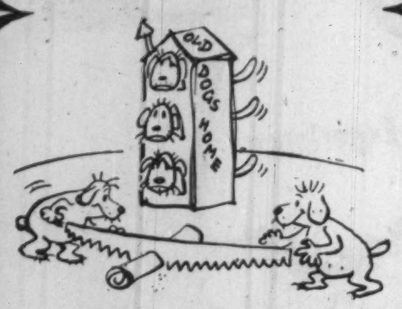
ELECTRICAL POWER
...serving the Oil Industry of Saskatchewan!

The Saskatchewan Power Corporation is creating a growing market for Natural Gas in Saskatchewan. Since Natural Gas was first discovered in commercial quantities at Brock, Saskatchewan, in 1952, the corporation has taken this premium fuel to 5 major Saskatchewan cities, — Saskatoon, Prince Albert, North Battleford, Swift Current and Moose Jaw, plus a large group of smaller centres, and will commence service in Regina in 1957. The S.P.C.'s Natural Gas System is rapidly expanding and it is planned that it will eventually serve all the major centres in the province.

The Saskatchewan Power Corporation takes Electrical Power to over 900 Oil Wells in the Province!

DAY OR NIGHT ALL HOURS FOR PUBLIC SERVICE
Saskatchewan POWER CORPORATION

It takes money to make good gasoline



Gasoline quality has risen tremendously in the past few years. Two gallons of today's gasoline do the work of three in the '20s.

Finding new techniques to make these improved gasolines, and new equipment to put these techniques to work, has cost a lot of money.

Imperial, with by far Canada's most extensive oil research facilities, has spent 20 million dollars over the past ten years on research alone.

Imperial spent 65 million in the same period directly on new equipment to improve gasoline quality.

It's costing more and more money to make the gasolines required by today's more powerful cars.

ESSO

IMPERIAL OIL LIMITED

Oilmen Studying B.C.'s Northeast

It has been only in the last few years that the eyes of the gas and oil industry have turned to the northeastern corner of British Columbia.

Although geologists have long known that this area east of the Rockies was included in the sedimentary area known as the Western Canada Basin.

The basin reaches its highest level in the eastern part of Alberta and then slopes again rapidly towards the foothills of the Rockies where it reaches its greatest depth.

In this foothills country approaching the Rockies, the effect of mountain building has distorted and often ruptured the sedimentary strata, forming an excellent hunting ground for the anticline trap and the fault trap.

To get the full picture of the B. C. gas and oil potential, it is best to look at the figures up to Nov. 1, 1956, on the record of total completion of wells and the successes.

In 1948, three gas wells were completed, five other holes were dry, thus giving the province a total of eight holes. The next year there was a slump and only three holes were sunk, all of them dry. In the years between 1950 and 1955 inclusive, a total of 61 gas wells were brought in and another 77 wells were dry.

It was not an impressive record, but the drilling could still be considered in the exploratory stage.

But all in all, the record was considered good enough that geologists estimated they had proved up about three trillion cubic feet of natural gas in the northeastern corner of the province.

This year, the picture became much brighter. More and more major companies moved onto the permits they had taken out in the big land play of a few years earlier.

Up to Nov. 1, 44 wells were completed. Twenty-nine of these were successful gas wells and there were only 11 dry holes. Four others were also gas wells but further drilling and treatment turned them into oil producers.

In addition, 16 other holes are currently being drilled and on a percentage basis will increase the number of gas and oil wells.

Since 1947, 21 of the major companies have gambled their money on bringing in producers in the Peace River area.

The Big Show

Biggest operator, of course, has been **Pacific Petroleums Ltd.** which is the chief supplier for its affiliate, the 700-mile **Westcoast Transmission Line** which will be supplying majority of the larger B. C. centres with natural gas by 1957.

Pacific Pete, which is spending $15 million this year on exploratory drilling and development of the Fort St. John field, has drilled 57 gas wells. It has also brought in two oil wells. It abandoned 31 other sites, suspended operations on four others and is currently drilling on five others.

The other most active operation is the **Northern Foothills Agreement,** a joint venture by three firms, which has sunk 26 wells and brought in nine gas producers and four oil wells.

These figures clearly show that Pacific Pete is the big show in the Peace River country.

Since 1948, a total of 195 holes have been drilled in B.C. Eighty-six have been gas producers, six have been oil wells, 81 have been abandoned, seven have been suspended and the rest are still drilling.

Not counting the holes now being sunk, a total footage of 300,000 feet has been drilled.

Crude Output

The department of mines report showed that in July, 9,799 barrels of crude was recovered from the Boundary Lake field, 40 miles northeast of Fort St. John.

Figures not yet officially released show that the total production for the year to date from the field is 43,448 barrels up to the end of September.

From the Fort St. John field, Triassic Schooler Creek, "C" zone, the production to Oct. 1 is 5,895 barrels and 3,681 barrels from the Permo-Pennsylvanian. The "C" zone has an A.P.I. gravity of 39.6% and the Permo - Pennsylvanian has an A.P.I. gravity of 42%.

The total crude production, to Oct. 1, is 53,024 barrels.

At the present time, seven companies are drilling, or preparing to drill, 15 wells for oil alone, and not gas.

One of the features of the Peace River area is the great number of productive horizons.

Here is the list of gas horizons:

Lower Cretaceous (Cadotte, Gething, Cadomin, Nikanassin)
Jurassic (Nikanassin)
Triassic (Schooler Creek, A, B,C and D zones)
Permo-Pennsylvanian
Mississippian
Devonian.

Here is the list of oil horizons:

Cadomin (shows of oil in Fort St. John and Halfway River areas)
Nikanassin (very good show in the Buick Creek area)
Triassic Schooler Creek (Boundary Lake field)
Triassic "C" (Fort St. John)
Permo - Pennsylvanian (Fort St. John).

Conservation Board

Realizing the potential of this area, the government of B. C. is moving to set up a conservation board to control the output of natural gas and oil.

Government officials have indicated, without releasing any details, that it will be modelled along the lines of the highly successful conservation board in oil and gas-rich Alberta.

It will be in operation, with all its regulations defined, by the time B. C. natural gas is flowing through the Westcoast Transmission line by 1957.

It is not known whether the board will be set up within the mines department or whether an independent board will be named.

This board, of course, will have jurisdiction over every drilling activity in B. C., and not confine itself to the Peace River area.

Permit and Lease

As of Sept. 30, 1956, there were 27,650,519 acres in six areas under permits to gas and oil companies. Another 371,892 acres were under oil lease, making a total of 28,033,534 acres.

To explain this difference of permit and lease, it must be pointed out that under present provincial government regulations, a permit deals with gas exploration and a lease with oil drilling.

Many companies complain that this puts the oil company at a disadvantage, for once a company drilling on a gas permit discovers oil, it must declare it.

By declaring lea status, it turns over much of its land to the provincial government, which in turn, puts the land up for bid and the original permit holder can claim the land only by paying 90% of the highest bid.

With natural gas, a company declaring a gas well still retains all its land.

Some suspect that some companies seeking only gas have found oil but have declined to declare a well as an oil producer so as not to lose its preferential position.

Government officials admit they have heard rumors of this, but are not able to prove it.

There have been, several times however, strong rumors of an oil well being brought in only to have the company claim it only as a gas well.

Geologists claim that the new conservation board with its wide powers will eliminate this practice, if it does exist.

Other geologists point out that in some cases, it is an extremely fine point as to whether a well is a gasser or is an oil producer. Many gas wells contain a considerable perc ntage of oil.

The Peace River areas, of course, has by far the greatest number of acres under permit and lease—26,580,716 acres under permit and 360,183 under lease.

Next largest is the Flathead area, in the southeastern part of the province, where 692,348 acres are under permit and 11,709 under lease. In the Fraser Valley, long an area where men have tried for natural gas as it is of the same strata as the Western Canada Basin, 217,342 acres are under permit but none under lease. Drilling by two companies is now under way, following in the steps of many other ventures that have failed.

About 142,000 acres on the southern end of Vancouver Island is under permit as the strata is similar to that of the offshore oil fields of California. Very little exploration has been carried out.

Acreage in the Kamloops and Similkameen areas is also under lease or permit.

The Flathead district is promising. There is nothing to indicate success in the Fraser Valley, despite its favorable strata.

To discuss the oil and gas play in the Peace River area, one must also look at what the activity is doing to the area.

The whole B. C. Peace River bloc, comprising 86,000 acres but containing only about 22,000 people, is booming.

Dawson Creek, a centre of 7,000, is the headquarters for some of the companies hunting oil and gas in the area.

Imperial Oil, with exclusive drilling rights to large blocs of land, recently moved its headquarters from Peace River, Alberta, to the bustling town. It employs 90 persons and recently constructed a $250,000 office building.

Working out of the town are about 20 geophysical crews of various companies.

Most of the other large companies have located their field headquarters in the town of Fort St. John, connected by good highway to Dawson Creek which is a terminus of the **Northern Alberta Railway.**

BRITISH COLUMBIA is a recognized oil producer today. A seismic crew touches off a dynamite blast in the B. C. forest in a search for more wells. Oilmen are carrying out extensive exploration in B. C.

Pacific Petroleum maintains its exploration headquarters and supply yards at Charlie Lake, five miles east of Fort St. John. Their operations cover an area of 700 square miles.

Phillips Petroleum, doing exploratory work for several companies, has purchased 40 acres adjoining the town for its base headquarters.

Most of the gas wells now capped and waiting for the opening of Westcoast Transmission Line over the 700-mile route to Vancouver are within a radius of 50 miles of Fort St. John.

The monthly payroll for the area is more than $1,000,000.

The reason, of course, for the great amount of activity is the pipeline which will carry the gas from northern B. C. and northern Alberta to the huge markets of the south and the cities and towns along its right-of-way.

On Nov. 9, **Canadian Bechtel Ltd.,** agent for Westcoast, announced that work was progressing favorably in laying the 30-inch pipe and a total of 407 miles have been completed. Pipe is being delivered at the rate of 20 miles a month and last deliveries will be made in July, 1957. Gas will start flowing through the line in November.

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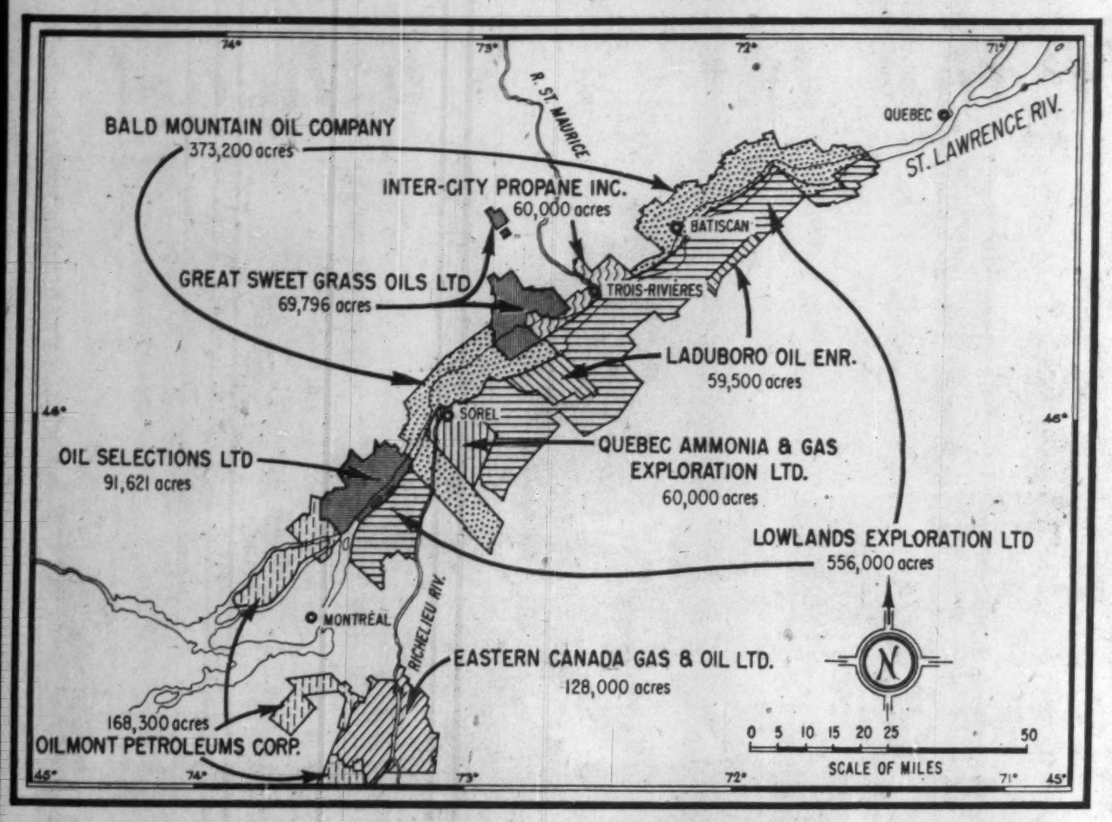

Make 'Interesting' Oil, Gas Strikes in Quebec's Lowlands

In a 10,000 sq. mile area of the St. Lawrence lowlands between Montreal and Quebec, surveys, exploration and drilling for oil and natural gas continue.

To date there have been a few interesting strikes. And thousands of dollars are being gambled that a profitable operation may be found and developed.

To Quebec, it would be important. There is limited source for oil and natural gas within the province and none of coal. With a ready market close to a major industrialized high-fuel cost area like Montreal, a discovery sufficiently large could reap a rich harvest.

From what is known about the size of the sedimentary basin—the rock in which oil might be found—it is believed it won't be possible to find as much oil as in Western Canada. Studies suggest any discoveries likely will be smaller than the western fields.

Still, the economics of operation and the potential make the lowlands an attractive possibility. In a recent letter to one of the oil exploration companies, a president of another firm which signified his company's intention to provide secondary financing for a portion of the net production revenue wrote:

"We have been very much impressed with the fabulous potential of this particular gas/oil field, lying as it does, at the doorstep of Metropolitan Montreal.

Great Development

"This, plus the Seaway development, should make for tremendous industrial development of the area, due to the combination of natural gas and economic source of transportation."

The markets are indeed attractive. Greater Montreal has a population of around two million and several major oil refineries. East, west and south of Montreal in easy transportation range are big industrial areas.

So, the lure of black gold is a big drawing card in the St. Lawrence Lowlands. In 1956, more than 50 holes will be drilled, are under way or proposed. These are drilling operations in search of oil and gas for stratigraphic information.

Stratigraphic tests are included because it is not known if these will end up only as tests or if it may be decided to drill deeper as stratigraphic tests and tests for oil and gas.

Who's There?

The Quebec Department of Mines lists the following property holders with the acreage of their permits as follows:

Lowlands Exploration Ltd., 556,000 acres; **Oilmont Petroleums Corp.**, 140,300 acres (an additional 28,000 acres was added recently); **Eastern Canada Gas & Oil Ltd.**, 128,000 acres; **Inter-City Propane Inc.**, 60,000 acres; **Laduboro Oil Ltd.**, 59,500 acres; **Oil Selections Exploration (Quebec) Ltd.**, 58,500 acres; **Great Sweet Grass Oils (Quebec) Ltd.**, 47,500 acres; **Oilmont Petroleums Corp.**, 28,000 acres; **Quebec Oil Enrg.**, 391.88 acres.

Through its subsidiary, **Lowlands Exploration Co., Imperial Oil** has the largest land permits in the St. Lawrence lowlands, and has been active in exploration work over the past three years. Only last month it announced that it would drill a "wildcat" in the St. Gregoire area on the south shore of the St. Lawrence River across from Trois Rivieres.

To be known as Imperial Lowlands No. 2, it will be the second the company has drilled on the acreage it holds in the area. The first, begun near Leclercville in the spring, is to be abandoned.

W. A. Roliff, who directs Imperial's Eastern Canada exploration work, said company has reached formations at the Leclercville well which are very unlikely to contain oil. But valuable information has been obtained from the rock formations penetrated by the well which was drilled to a depth of more than 3,300 ft.

Drill Program

The present drilling program is a result of exploration in the area, including gravity meter and seismic research. Such preparation is necessary before a company can undertake the costly and often unsuccessful operation of drilling.

In 1954, Imperial announced it would begin a program of oil exploration in the St. Lawrence Valley between Montreal and Quebec City. The action followed receipt of a provincial government permit to hunt for oil.

Prior to that it completed preliminary geological studies of the St. Lawrence basin These, together with work done in the past, lead company to believe a modest exploration program was justified.

Its exploration permit on close to 600,000 acres lies in four blocks along the South Shore of the St. Lawrence, between Montreal and Quebec.

In 1954, work consisted of checking the surface geological work by use of a gravity meter. In 1955, Imperial put a seismic crew to work near Nicolet on the South Shore of the St. Lawrence opposite Trois Rivieres. This work supplemented surveys carried out the previous year.

The 1954 surveys gave company a clearer picture of the sub-surface conditions on its acreage. The seismic survey involved setting off a dynamite charge some 60 ft. beneath the earth's surface and recording resulting vibration on the seismograph, an instrument so sensitive it can measure the footfalls of an ant.

Promising Sites

Late in 1955, company announced that it planned to drill for oil in the province, but tests aimed at locating promising drill sites had already been made and one or two full-fledged wildcat wells might be drilled. The wells would be mainly to obtain information on rock structures but they would have some chance of success, it said.

In June this year it began drilling its first "wildcat" well in the lowlands. This is a well drilled in the region where oil has not previously been found.

A cable tool rig was used to drill the well now being abandoned about 1½ miles southeast of the village of Leclercville, on the south side of the St. Lawrence River, about 40 miles downstream from Trois Rivieres.

Lowlands has drilled a number of shallow holes over a large part of the acreage it obtained under permit but these holes were in search of geological information only. The drilling started this year was undertaken in the hope of finding oil.

The exploration has taken modern scientific lines employing the seismograph, gravity meter and airborne magnetometer and rock samples from the surface and shallow drill holes have been examined.

Eastern Canada Gas & Oil Ltd. was incorporated in Quebec Feb. 20, 1954, for the purpose of exploiting and developing the properties of **Lozo Oil Inc.** of Penn., in Quebec.

Got Claims

The company acquired from Lozo Oil, gas and oil claims covering some 220 sq. miles of territory in the district of St. Johns, north of the U. S. border and southeast of Montreal. In addition, it obtained all Lozo Oils exploration data and the results from two test wells drilled approximately seven miles south of St. Johns.

The incorporation of Eastern Canada followed surveys which were carried out for several years throughout the lowlands areas south of Montreal, and in other parts of the continent with the object of comparing information of the lowlands areas with those of proven fields.

Authorized capitalization is 5,000,000 $1 par shares of which 2,229,659 share are outstanding and 1,500,000 are held in escrow for distribution as work is done.

The average distance of the concessions of the company from Montreal is about 30 miles. Two test wells were drilled on territory controlled by the company, one well about six miles south of St. Johns, and the other about seven miles. Natural gas was struck in both wells.

Numerous tests were made at the well heads over a period of months and during the period the gas pressure and flow increased. Tests showed indications of natural gas reservoir in this territory.

In June, 1954, a contract was given to the **Rawlings Drilling Co.**, of Chatham, Ont., for the drilling of the company's first production well. The company said the first important indication of natural gas was struck in this well at a depth of 1,591 ft.

The second horizon of gas was struck approximately at 2,280 ft. This well was completed at a depth of 4,750 ft. Well head tests showed an indicated production of 240,000 cu. ft. of natural gas per day at a pressure of about 200,000 lb. per sq. in.

On Aug. 12, 1954, a contract was given to the Rawlings Drilling Co. for the drilling of two additional wells, located about six and 12 miles from the first well. The first of these wells caught fire spontaneously at a depth of about 1,000 ft. A new drilling rig was moved on to the site but drilling was stopped when the well was invaded by salt water. Natural gas was struck in this well but it was not measured before closing it in.

Third Well

A third production well was drilled to a depth of 3,198 ft. when a sudden burst of gas forced the drilling tool upward in the well where it became so securely lodged that it couldn't be extricated. Based on analysis of the cuttings the company's five wells a geologist report said six areas on the company's properties appeared to be most suitable for drilling. It recommended that these areas be surveyed by gravity meter.

In 1956, the gravity meter survey was launched by **Radar Exploration Co.** over the entire concession held by the company. Following completion of this work, drilling of production wells was resumed in the summer. It was suggested this program of work would place the company in a position to negotiate with other gas and oil companies for leasing of territory upon the usual terms. Company reports it is presently drilling two wells, No. 4 and No. 5 the former of which is at a depth of 3,650 ft. and the other at about 3,700 ft. The anticipated depth of these wells is approximately 5,000 ft. and 7,000 ft. for completion over next few months.

Oil Selections Ltd., a subsidiary of **StratImat Ltd.**, was granted a concession in September, 1956, covering 58,500 acres on the north shore of the St. Lawrence east of Isle Jesus, not including 33,121 acres held as gas and oil claims under the Quebec Mining Act.

The area has been explored by gravity survey. Exploratory drilling has been carried on since June, using both a rotary rig drilling a 4¾-in. hole and a two-diamond drill rigs boring a 2⅝-in. hole.

Eighteen holes in all were drilled, the shallowest 112 ft., the deepest 2,656 ft. The total footage drilled was 16,825 ft.

The program outlined the top of the Trenton Limestone (Ordovician series) in three north-south sections, with holes spaced one mile apart. The third section indicated a monoclinal fold in the top of the Trenton Limestone, as well as a show of natural gas. Drilling was then concentrated in this area and three holes have located natural gas considered to be in commercial quantities.

St. Lawrence Gas

It was suggested this could be considered the first discovery of a commercial quantity of gas in the Paleozoic sediments in the St. Lawrence lowlands. One hole found a heavy flow of drift gas and a gravel bed between the marine clay overburden and shale bedrock. Shows of dead oil were seen at several horizons in a few holes and more recently, a positive show of live oil was found in the Trenton limestone.

In early November, discovery No. 29, a 2⅝-in. diamond drill hole, was under 450 lb. shut-in gas pressure and recorded close to 200,000 cu. ft. per day of free flow. With a larger diameter hole and acidization, this could move up to be of major capacity, it was thought.

A deep-hole test on No. 23 shows two horizons with pressures of 150 and 175 lb. per s.. in. respectively. Because of water flow in the hole, an open flow test will not be possible until the hole is cased. A deep-hole test on No. 30 shows two horizons having shut-in pressures of 125 and 300 lb. per sq. in. As with No. 23, an open flow test will be made when the hole is cased to stop the flow of water.

The gas occurrence was found some five miles northeast of the Town of L'Assomption and three miles northwest of the St. Lawrence River.

Early Stages

The field is still in the early discovery stage and so there is insufficient information at hand to fully assess size and reservoir capacity. For the immediate future, plans are to case holes 23 and 30 and continue exploration to extend the field laterally, as well as some deep diamond drill holes to explore the sedimentary basin to the Precambrian basement. The original gravity survey is being extended and revised in light of information gained from drilling.

Canso Natural Gas Ltd., of Alberta, recently reached an agreement with Inter-City Propane Inc. covering oil and gas rights in the Trois Rivieres area of Quebec. At the same time, a new company was formed to explore possibilities in the area under a joint venture arrangement.

St. Maurice Exploration Inc., was recently incorporated with head office in Montreal, and has acquired the exploration and development rights of Inter-City Propane Inc., a private company, covering 60,000 acres of land on the north shore of the St. Lawrence in the districts of Trois Rivieres, St. Maurice and Champlain.

These lands are in the area which several years ago supplied the city of Trois Rivieres with natural gas delivered from shallow wells and more recently has been thought a potential gas field. Recently, a well was drilled within the area now under lease to St. Maurice Exploration and was subsequently capped with natural gas reserves reported in excess of commercial requirements.

Gas Deal

According to the deal with Canso Natural Gas, the latter will act as manager of a joint operation.

Preliminary work will involve the drilling of five test wells which Canso is undertaking to complete before the end of the year. The agreement provides for the sharing of eventual production costs on a 50-50 basis with an equal distribution of profits from the possible sale of combustible natural gas, mineral oil and naptha.

St. Maurice has already taken steps to acquire adequate distribution facilities through purchase of interests in a Trois Rivieres concern. Plans are under way for company to acquire controlling interest in City Gas & Electric Corp. of Trois Rivieres which presently distributes natural gas in cylinders and through its mains in the city of Trois Rivieres. Subject to the approval of shareholders, St. Maurice will acquire the present common stock of City Gas & Electric on a basis of the latter's shareholders receiving five shares of St. Maurice for every share of City Gas held. It was stated the new company reports ample finances on hand to underwrite the cost of its exploratory program.

Oilmont Petroleums Corp. incorporated in Quebec Aug. 13, 1954, has search and development permits on the 168,300 acres of lands in the St. Lawrence valley.

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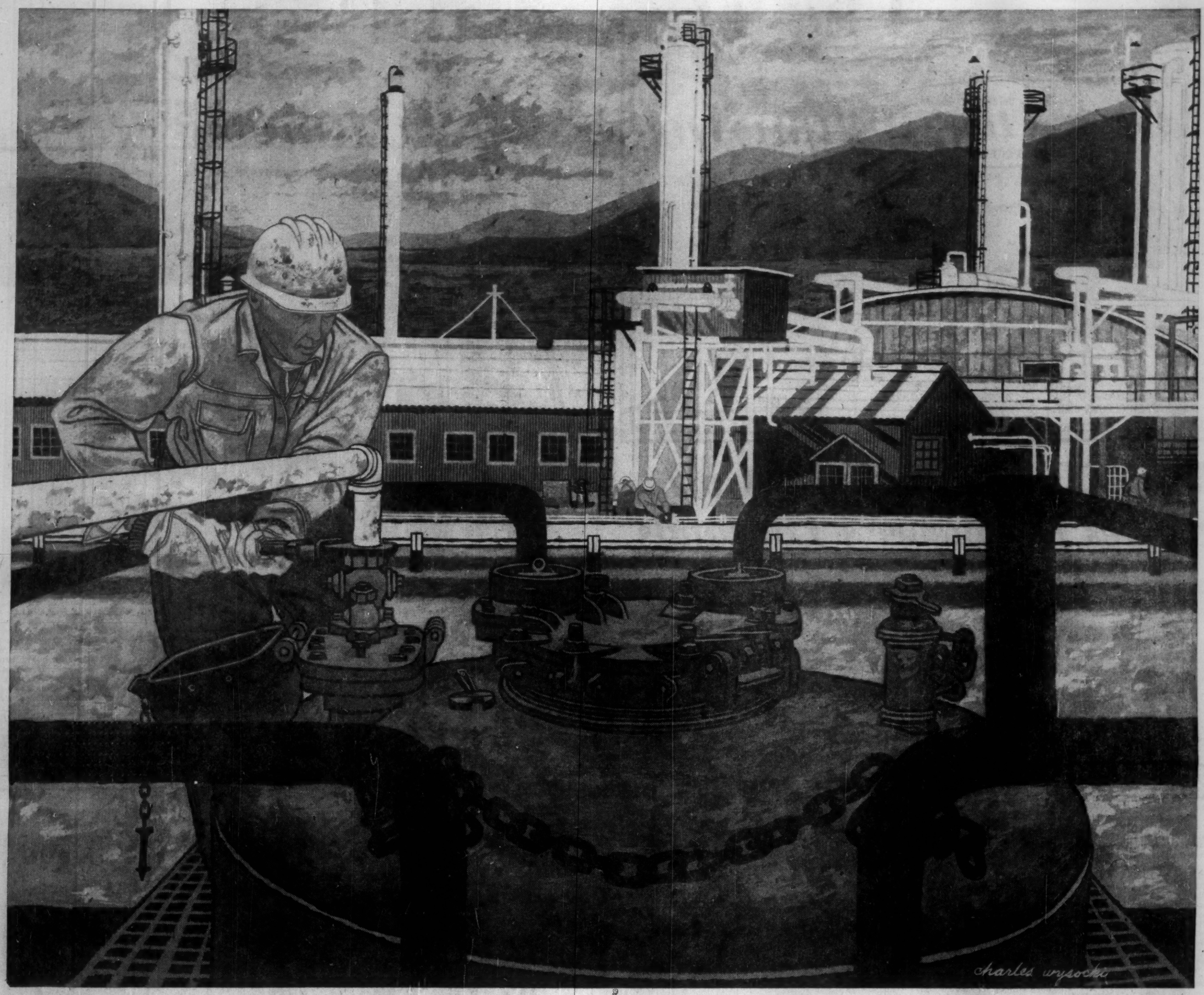

The pattern is set . . . the valves are opening as the gas industry grows

By 1980, the natural gas industry will have added many dramatic pages to Canada's history of industrial growth and development. That year, it is estimated, will mark a six-fold increase in the nation's available gas reserve. Dow, as a major producer of gas treating chemicals will play an increasingly important role in this growth.

Before starting its journey through thousands of miles of pipe-line to markets across Canada, natural gas must be "sweetened" and dehydrated. Much of the natural gas, as it comes from the ground, is considered "sour" because of its hydrogen sulphide content. Water, too, is present in gas and must be removed. These are extracted by gas treating chemicals . . . ethanolamines for "sweetening" and glycols for dehydrating.

In unprecedented quantities, gas will flow to the butcher, baker, housewife and farmer, to the plant and office. To help smooth the way, Dow assures the industry of ample supplies of essential chemicals. A new Dow plant coming on stream in Sarnia this month will increase the Canadian source of ethanolamines. Already Canada's largest producer of glycols, Dow can adequately meet the gas industry's requirements of this dehydrating agent.

To round out its service to the gas industry, Dow provides the assistance of a specially trained group skilled in solving "sweetening" and dehydrating problems. A vast amount of practical knowledge has been accumulated by continuous research in the field and modern laboratories. This knowledge is readily available to the Canadian gas industry through the new Dow office recently opened in Calgary.

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The Financial Post

Vol. L | Member of Audit Bureau of Circulations | Publication Office: Toronto, December 1, 1956 | Twenty Cents an issue, Six Dollars a Year | No. 48

Gas: Our Billion Dollar Pot at Rainbow's End

By W. L. DACK

Natural gas has become one of the most exciting chapters in Canada's fast-moving development story.

The long-drawn-out struggle to get it into the energy pattern of the country has been accompanied by stormy controversy, countless "new twists," along its rocky, five-year path.

The story is far from over, is still good for a few more twists. But in the up-and-down sequence of events, strongly opposing personalities and policies have been shaken down into workable plans.

Now the happy ending is almost in sight.

The two pipeline projects to emerge out of the stormy alchemy are far from what the sponsors — and the Alberta Government — had originally planned.

But the ultimate marketing potential in both cases is just as great; the integration into the big U. S. marketing picture just as likely.

Here is what the two distilled projects for the **West coast Transmission** and **Trans-Canada** pipelines now provide:

—On the West Coast an assured entrance into, and integration with, one of the biggest untapped energy markets on the continent.

—In the case of Trans-Canada — something a good many Canadians have always wanted — an all-Canadian gas pipeline moving through northern Ontario and financed on Canadian gas contracts alone.

As for the big potential U. S. gas market in the mid-Northern U. S. — which many pipeline planners claimed was essential to financing and construction of any major east-moving gas pipeline — chances are now seen a good deal brighter for getting into that competitive market since Ottawa and the pipeline people are "going it alone" on Canadian markets.

"In The Bag"

When a few weeks ago the giant **Metropolitan Life** started the Trans-Canada financing ball rolling by agreeing to buy some $40 million of the pipeline first mortgage bonds the longest natural gas pipeline in the world was virtually "in the bag."

The remainder of the $234 million proposed pipeline financing bundle is being quickly wrapped up. The additional $120 million of government money that's to build the rugged northern Ontario "bridge" and the $16 million of private capital in the deal, places a whopping $370 million price tag on Canada's ambitious 2,250-mile, Alberta-to-Montreal gas pipeline project.

But the other expenditures it will touch off: the gas field development programs in the West; the gas gathering systems in Alberta, B. C., Saskatchewan; the plants for stripping and cleaning the gas; the heavy expenditures on distribution systems to bring gas from the main lines into the cities and the homes — all this will add up to at least as much again.

And finally the investment in industrial plant expansion and new plant building that will develop, based on use of natural gas as a more efficient fuel, or as a source of raw material, could add several hundred million more in the next five years.

Totaling up these figures it's not hard to visualize a billion dollar investment over the next few years.

But the biggest thing about the trans-Canada pipeline is that it will connect a remote Alberta gas field to Mrs. Jones' gas range in Toronto, or Montreal; it will convert a buried resource, useless without access to markets, into a revenue-producing asset.

Promising Market

According to Trans-Canada officials the Canadian market promises to use at least 180 billion cu. ft. of gas a year in the fifth year of pipeline operation.

In energy terms this one pipeline, which will make gas available economically to about one-third of the population of Canada, will deliver about four times the energy to be generated by the St. Lawrence electric power development.

Just how much of the total Canadian energy load will be captured by natural gas over the next 10-20 years is difficult to estimate at this time.

Right now it only represents about 5%.

But based on the phenomenal growth pattern in U. S., where it now accounts for 26% of the total, gas people here are ready to forecast a jump to at least 15% over the next 10-15 year period.

The Trans-Canada pipeline will enable Western Canadian natural gas for the first time to compete on a large scale in the energy markets of Eastern Canada.

A preview of what to expect is the record of **Consumers' Gas Co.** of Toronto since it converted its system to imported U. S. natural gas late in 1954.

The big Toronto utility company has boosted its house-heating customers from 4,000 to around 20,000, its over-all gas sales volume by 100%.

Right now in the early stages of Consumers' load-building program the gas is closely competitive with fuel oil for house-heating.

Under the terms of the recent long-term gas purchase contract made with Trans-Canada, Consumers' will be well able to maintain this competitive position once it switches over to Western Canada gas on completion of the Trans-Canada pipeline.

Its experience with natural gas in the last couple of years encouraged Consumers' to negotiate for more than double the quantity of gas that had at first been talked.

This, of course, enabled Consumers' to bring over-all cost of its gas down somewhat. But it has also forced it into an aggressive load-building program over the next few years.

Quebec Market

The gas marketing picture is pretty similar in the case of the newly formed utility that will distribute gas in the Greater Montreal market — **Quebec Natural Gas.**

But the very fact that three major contracts already completed — that of Consumers', one with **Northern Ontario Natural Gas,** one with **Union Gas Co. of Canada** — envisage a market build-up far beyond that which was talked in early stages of contract negotiations with Trans-Canada, indicates the changed thinking of three big Eastern utilities on the whole gas market potential.

But two major factors that could tend to slow the market build-up tempo behind that in the U. S. are:

—The Trans-Canada line is the first on the continent to run in a West-East direction and to be subject to such seasonal temperature extremes. This has made for a most unbalanced market demand—between winter and summer.

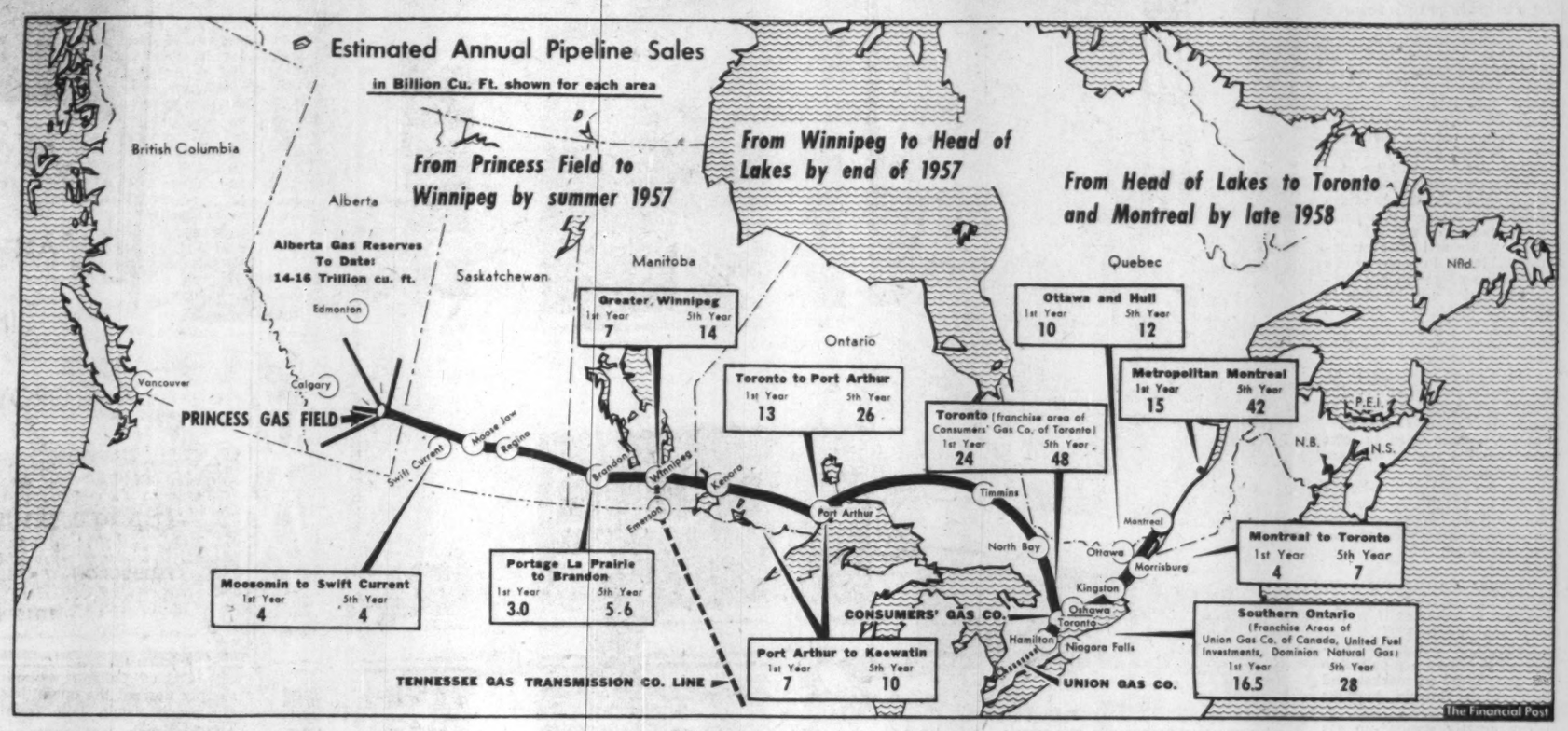
75% of Potential

—An estimated 75% of potential market is situated on the remote end of the 2,250-mile pipeline. The heavy fixed charges that will have to be borne in early years by a relatively small market will tend to keep rates higher than otherwise.

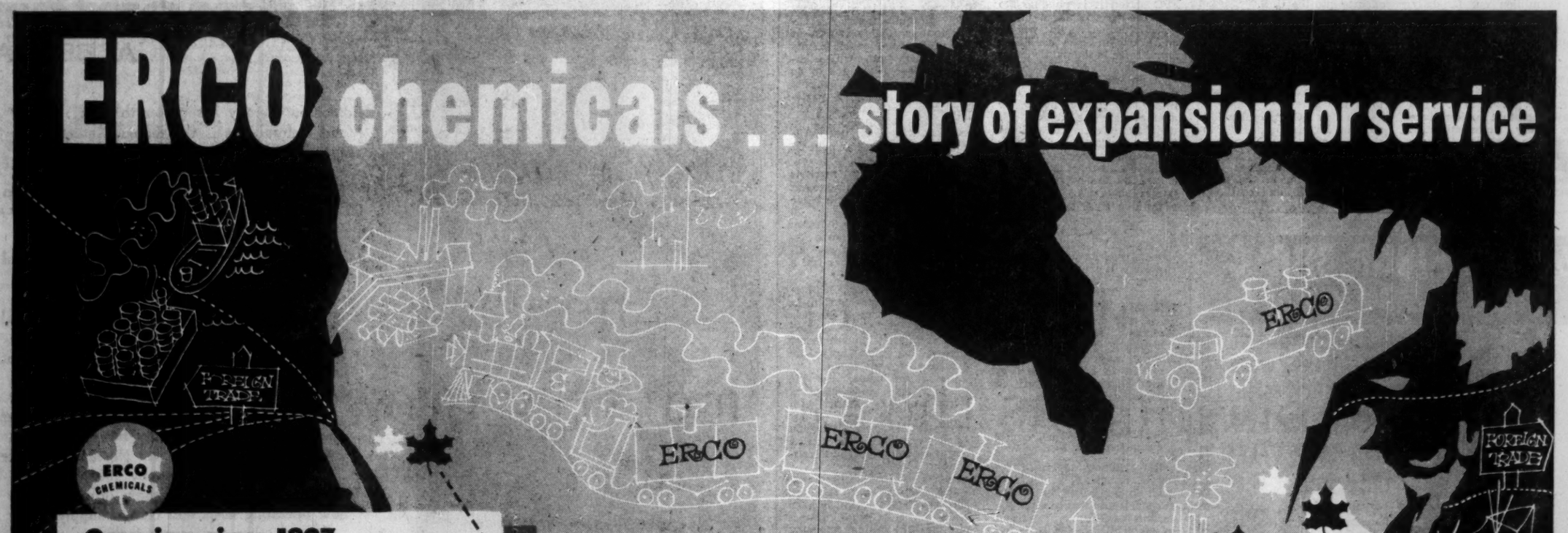
But some very important things are being done to minimize these major obstacles:

—The drag on Trans-Canada

(Continued on page 64)



ERCO chemicals . . . story of expansion for service



Growing since 1897 and still expanding today

Since its organization, ERCO has advanced with a long-term expansion programme to serve the chemical needs of Canadian agriculture and industry. Capacity of the original ERCO plant is being vastly increased . . . a large phosphorus plant built at Varennes, Quebec . . . a new sodium chlorate plant begun in Vancouver . . . a new phosphate plant in Hamilton.

Paralleling the expansion of production facilities has been a vigorous programme of product development to meet the challenging new needs of industry . . . expansion of ERCO technical services and broadening of shipping facilities to meet every demand.

Today, wherever chemical compounds are required, ERCO is equipped to make quick deliveries and staffed to provide expert on-the-job technical service on the use of these products. And as Canada continues its impressive rate of growth, ERCO's expansion programme will continue to keep pace with it!

The industries we serve: AGRICULTURE, BAKING, BEVERAGE, CERAMIC, COSMETIC, DAIRY, DETERGENT, LEATHER, METALLURGICAL, PAINT AND VARNISH, PETROLEUM, PHARMACEUTICAL, PULP AND PAPER SUGAR REFINING, TEXTILES.

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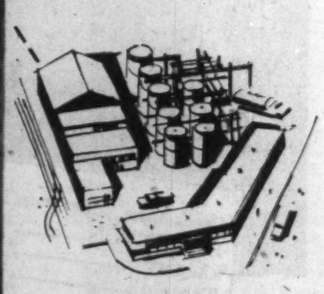
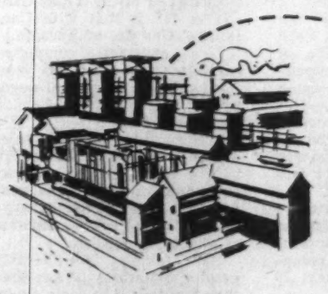
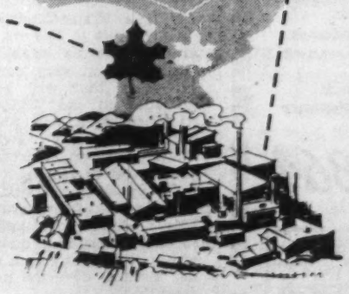


NORTH VANCOUVER
Site of ERCO's new $5,000,000 sodium chlorate plant. Scheduled to begin operation late in 1956 or early in 1957, it will enable ERCO to provide even better service for the ever-growing pulp and paper industry in British Columbia.

PLANTS
SALES OFFICES



HAMILTON
Work has begun on a new combination of ERCO plants to supply the phosphoric acid requirements of industry and agriculture in this area. Phosphorus will be processed by the most modern methods in producing chemical compounds for use in many industries. Sulphuric acid and "wet process" phosphoric acid plants will be installed in parallel.



BUCKINGHAM
Greatly expanded since its modest beginning in 1898, this ERCO plant on the Lievre River in Quebec now occupies 57 acres and employs more than 500 people. Its principal products include red and yellow phosphorus, phosphoric acid, sodium and calcium phosphates, sodium and potassium chlorate, phosphorus sesquisulphide, ferrophosphorus, and several trade name products.

VARENNES
Located on the South shore of the St. Lawrence River near Montreal, this plant can make use of economical ocean transportation for exporting ERCO products to world markets. The 122-acre site provides ample space for expansion and new production facilities will be installed as demand continues to grow.

'Happy End' for Gas in Sight

(Continued from page 63)

in the early years will be greatly reduced by the Crown company's building the pipeline section through the rugged, sparsely settled northern Ontario section. Trans-Canada leases this section, will be able to buy it later. But debt carrying charges have been reduced in early years.

—By integrating the big natural gas storage fields in southwestern Ontario, controlled by Union Gas Co. and **Imperial Oil**, into the general Trans-Canada gas delivery pattern several of the main gas users — and possibly Trans-Canada itself — will be able to balance out their year-round load problem by storage of gas in off-peak summer months.

—By taking on fairly heavy interruptable and off-peak industrial loads in early years of pipeline operation gas utility companies will be able to keep gas throughput rate up and therefore profit from the more advantageous rate structures it can set up.

—By use of imported U. S. gas into the central and southwestern Ontario markets of Union Gas Co. and Consumers' Gas Co. — and possibly next year into the system of Quebec Natural Gas — an extra one to two years of load-build-up will be possible in preparation for the larger gas deliveries contracted for from Trans-Canada which will start in 1959.

(Greater Toronto was completely converted from manufactured to imported U. S. natural gas in late 1954).

Union Gas plans construction of a 150-mile pipeline to tap the Hamilton market and intervening Ontario markets next year.

The greatly stepped-up gas supplies from U. S. that were approved this summer by the Federal Power Commission will serve this expanded market.

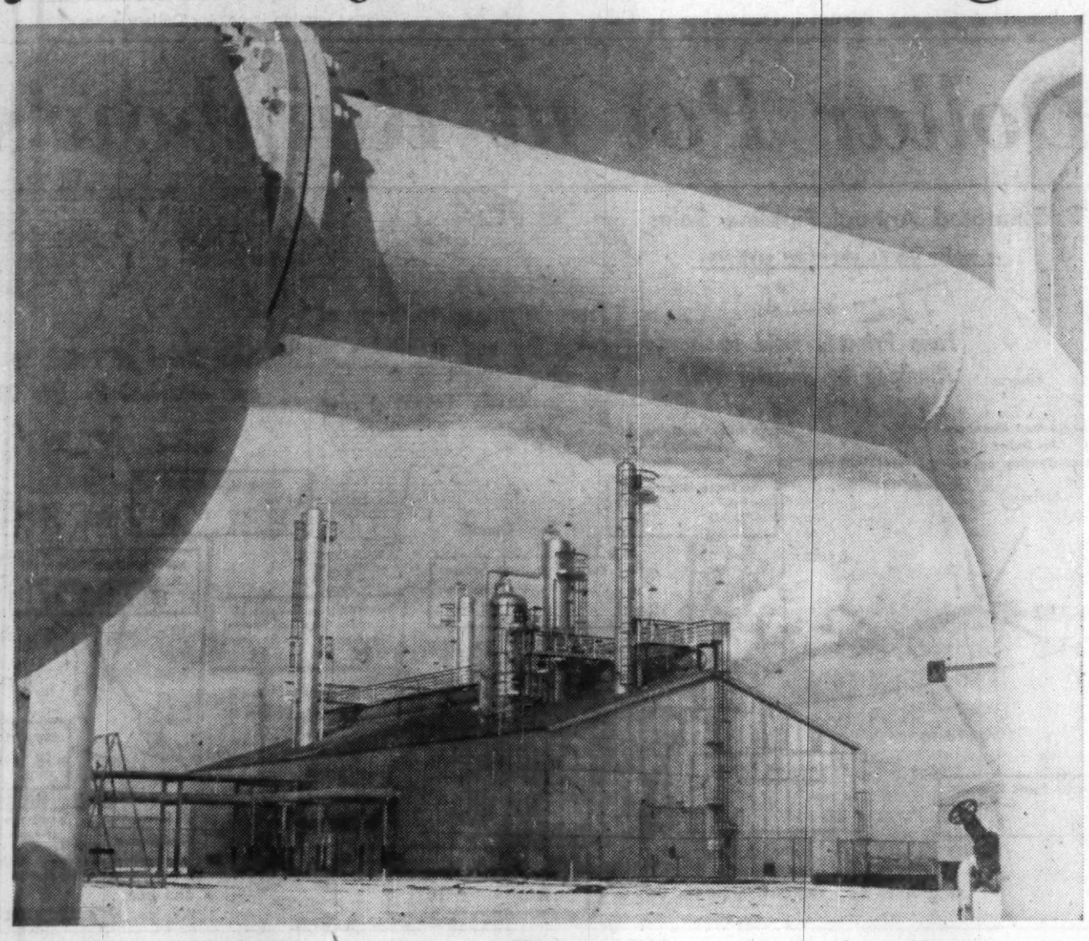
Under contract terms this additional U. S. import will be replaced by western Canadian gas once the Trans-Canada line is completed.

Right now on the basis of contracts already completed Trans-Canada will be delivering an average daily gas volume to Eastern Canada of around 130-150 million cu. ft. in the first year of pipeline operation; in the same year will be carrying some 55-60 million cu. ft. daily to Western Canada utilities.

By the fifth year of operation these same customers will be taking a total of around 350-370 million cu. ft. daily (300 to Eastern Canada, remainder to the Prairies).

But everyone knows the actual movement through the pipe will be considerably greater than this by the fifth year. Experience in forecasting market growth in U. S. has always been that markets have been badly underestimated. Actually in majority of cases the market has been about double that originally estimated.

Gas officials are hopeful the same trend will hold in this country. Actually the forecast most widely accepted now in the industry is that total gas markets for Trans-Canada will reach around 500 million cu. ft. daily by the fifth to sixth year of operation.



GAS DOESN'T GO TO WASTE in the oilfields today. This Imperial Oil gas conservation plant, a $7 million establishment, takes about 25 million cu. ft. of gas each day from oil wells. It separates liquid propane, butane and pentanes.

Canadian Sales

Although Trans-Canada officials are succeeding in financing the $370 million undertaking on Canadian sales volume alone — and this despite an anticipated deficit in the first, and maybe the second year — hopes are still high of ultimately securing the U. S. Federal Power Commission's approval for sizable contracted exports into the U. S.

The long-term sales contract negotiated with **Tennessee Gas Transmission Corp.** a couple of years ago calls for delivery of 200 million cu. ft. of gas daily into a new U. S. midwest system which T-G-T proposes to build.

Although T-G-T's application seeking import permission is strongly opposed at Washington by a handful of U. S. gas transmission companies already operating in the mid-northern U. S., and coal and rail interests, two recent developments are seen improving the outlook for a favorable FPC decision.

A few days ago FPC rejected motions by the opposition to dismiss the applications of Tennessee-Midwestern.

In doing so FPC appears to have made a major reversal of policy, and by doing so to have knocked one of the main props out from under the opposition.

Up to now FPC has maintained that no U. S. community could be solely dependent on natural gas from a foreign country.

In its recent dismissal of the motion to throw out the Tennessee-Midwestern application FPC stated it is possible "to envisage circumstances under which a project relying wholly on Canadian gas could be found to be in the public interest."

In an earlier stage of proceedings FPC Examiner Hall pretty effectively overthrew another of the opposition's main arguments. He claimed there were large gas markets in the mid-northern U.S. states not now being adequately served by the opposing companies operating in these areas.

Now that FPC has blocked the opposition's move to have the whole Tennessee-Trans-Canada case thrown out it has two steps it may take:

Two Steps

1. It may carry on with the hearings and hold an early session for comparative hearings.
2. Or it may delay any new session in hopes that Tennessee-Midwestern and the opposing companies can come to an understanding and make some kind of a deal on distribution of the gas in the U. S.

But whether access to the big U. S. market comes next year or five years hence top gas officials in this country are certain it will come. The trend in gas field prices in U. S. has been moving steadily upward (average 5c per mcf in 1954, 12-14c in 1956) with the phenomenal market growth tying up more reserves far into the future.

With a Trans-Canada line already built to Eastern Canada the sizable supplies of surplus gas at very competitive rates that will become available to the Minnesota-Wisconsin area will prove a stronger-than-ever incentive to import — an increasingly difficult set of factors for any U. S. opposition to block.

But what of the Canadian West's ability to supply the steadily expanding quantities of gas required by such potential markets over the next 20 years?

The proved and probable recoverable reserves in Western Canada, as estimated by the Canadian Petroleum Association, were around 22.5 trillion cu. ft. as of June 30, 1956. Of this amount 18.5 trillion cu. ft. are in Alberta.

Besides, these reserves are expanding at the rate of about 2 trillion cu. ft. annually — or annual requirements for export to the East. Put in another way this is equivalent to over 70% of Canada's total energy requirement during 1955; or equal to the energy supplied by burning some 75 million tons of high grade bituminous coal.

Practically all of these gas reserves have been proved up without the incentive of markets—most of it incidental to the search for oil. The Canadian Petroleum Association is certain that with the incentive of pipeline markets reserves will expand very rapidly from here.

Gas Reserves

The Association forecasts that total recoverable gas reserves which will have been discovered by 1980 will amount to some 88 trillion cu. ft.

How does this stack up over the years against forecast market requirements? According to expert information at this time, total requirements for Alberta gas, which includes Peace River gas to be marketed via the Westcoast Transmission line, the Prairies, Eastern Canada and the presently anticipated U. S. markets will be some 26 trillion cu. ft. over the next 25 years.

Even presuming markets would triple from present forecasts this would still leave a recoverable reserve of 10 trillion cu. ft. and the industry would still be adding to reserves after that time, although maybe not at as fast a pace.

This should pretty effectively dispel any fears that Canada is likely to run out of gas over the next 20-30-year period even if market growth is far beyond the most optimistic rate presently envisaged.

The big "break" in the whole Trans-Canada financing story came this summer with negotiation of three major contracts in Eastern Canada (one representing a sizable increase from previous contract).

It has been these three contracts, along with the big Montreal market, which have enabled Trans-Canada to work out the $234 million financing program now in final stages of completion.

Biggest Contract

The biggest Canadian contract signed up by Trans-Canada so far is that with Consumers' Gas Co. of Toronto.

This contract, completed early in October of this year, terminated two years of negotiation between Trans-Canada and Consumers'.

The contract involves sales of gas up to 165 million cu. ft. in the fifth year of contract operation. In that same year gross revenue to Trans-Canada from this contract is estimated at about $20 million.

By taking considerably greater quantities of gas than they had talked in early stages of contract proceedings Consumers' has been able to obtain Western Canadian gas at terms at least as favorable — and they could be more favorable—than those now enjoyed from the imported gas from U. S.

This imported gas lays down in the Toronto area at around 47c-48c per mcf.

In commenting on the Consumers' contract, Consumers' President A. L. Bishop stated: "The contracting for these very much larger volumes of western gas than were considered feasible two years ago is the result of Consumers' Gas Co.'s experience following introduction of natural gas to the Toronto area in Nov., 1954. Three voluntary rate reductions have maintained natural gas at a price level competitive with other fuels."

In June of this year Union Gas Co. of Canada revised sharply upward the quantities of gas it would take from Trans-Canada.

Under the new agreement, the maximum annual volume which Trans-Canada is obligated to deliver to the company is 12.5 billion cu. ft. in the first year, increasing to a maximum of 64 billion cu. ft., in the 13th year and continuing at that quantity to the end of the contract.

Under terms of the former contract the maximum volume of 15.5 billion cu. ft. was to be reached by the sixth year. The contract permits Union Gas to take up to 25% less than the maximum annual volumes.

Northern's Market

Northern Ontario Natural Gas proposing to serve a large slice of northern Ontario signed a 20-year contract with Trans-Canada this June. The contract involves delivery of up to 100 million cu. ft. of gas daily.

Northern Ontario will distribute gas to 25 municipalities and many industries located from Kenora in the West to North Bay.

The long-term contract signed with Quebec Natural Gas and which covers the big Montreal market area involves gas deliveries ranging up to 90 million cu. ft. daily in the fifth year of operation.

In May, 1955, a 20-year contract was signed with **Winnipeg & Central Gas Co.** involving sale of approximately 200 billion cu. ft. of gas over the term of the contract.

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CAPACITIES PER HOUR IN B.T.U.'S

	¾"	1"	1¼"	1½"
30 lbs.	775,000	1,355,000	1,950,000	2,930,000
50 lbs.	1,140,000	2,000,000	2,870,000	4,300,000
75 lbs.	1,600,000	2,800,000	4,010,000	6,025,000
100 lbs.	2,065,000	3,600,000	5,150,000	7,725,000
125 lbs.	2,525,000	4,400,000	6,290,000	9,450,000
150 lbs.	2,980,000	5,200,000	7,400,000	11,150,000

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'56 Gas Sales Spurt by 31%

Gas distributors from the West Coast to Central Canada are girding for a big push.

It now looks as though the arrival of natural gas can be measured in months instead of years. And with the final push-through of pipelines west to the Pacific and east to Ontario so close, most distributors have lined up a major portion of the customers they will be serving.

It's now a case of pulling in the last of the franchises to supply municipalities with the new fuel.

Keen competition has earmarked distributors' activities over the past year. To be able to finance gas distribution systems along the pipeline routes, and to offer the economies of large-volume purchases, companies have been driving hard to obtain the largest possible number of franchises.

Ahead for most are the problems of raising capital and constructing distribution facilities. But right now the distributors expect that by and large they will be ready to sell gas as soon as it arrives from the western fields.

A few have already converted from manufactured gas to the lower-priced natural gas by hooking in temporarily to near-by U. S. lines. For these and for the other companies already selling gas there is the major expense of converting customers' appliances.

Canadian gas consumption is already climbing steadily. In the first eight months of this year the volume of natural gas sales was 31% higher than in the same period a year ago and sales revenue was up 23%.

Manufactured gas—accounting for about 19% of total volume sold — also chalked up sales increases in spite of some conversions. These were modest: Volume sold rose 3.9% in the first eight months of this year compared to the same months in 1955 and revenues advanced 2.3%.

In the months of planning for the advent of natural gas, distributors have taken giant strides. With a final push in the months that remain they will be ready to go into action.

Here is the company-by-company story.

Ajax

Ajax Petroleums Ltd., executive and main offices Calgary, produces and sells natural gas from its own and other gas wells in the Morinville-Atim area of Alberta. Gas is sold chiefly to **Canadian Chemical Co.,** Edmonton. Company also holds prospective oil and gas lands in Alberta, Saskatchewan and Montana.

Net profit in 1955 was $45,552 compared to a net loss of $163,914 in the previous year. Totaling 7,905,000 mcf, sales were 14% higher in 1955 than in 1954.

Company gained a 1.75c increase per mcf on transmission of gas to Canadian Chemical Co. effective for three years from April, 1955. This together with (1) reduced expenses in operating gas wells and transmission of gas; (2) reduction of sinking fund payment and (3) concessions in payment of royalties on gas to third parties for a three-year period have provided a more profitable operating basis and a free working capital position," company officials state.

Outstanding at year end, 1955, were $1,450,000 5% convertible sinking fund debentures due July, 1962. At year end capital stock outstanding was 4 million common shares 50c par issued and fully paid up. Since that time, shareholders have approved an increase in authorized capital stock from 5 million to 8 million shares.

B. C. Power

British Columbia Power Corp. is a holding company which through subsidiaries supplies public services including gas, electricity and transportation facilities in various B.C. communities, the largest of which are Vancouver and Victoria.

British Columbia Power's net profit in 1955 was $6.9 million as against $5.1 million in 1954. Gross operating income in 1955 rose 7.1% over that of the year before to reach $63.4 million. Gas revenue totaled $5.1 million in 1955, up 5.1%.

British Columbia Electric Co., B. C. Power's subsidiary, will shortly supply natural gas from the Peace River district to the lower B. C. mainland. Its contract with **Westcoast Transmission Co.** calls for deliveries starting sometime in 1957. It has also contracted with Westcoast and with **Pacific Northwest Pipeline Corp.** for a supply of natural gas from the U. S. which will end when Peace River deliveries begin.

Company currently owns four gas undertakings, two in Vancouver, one in North Vancouver and one in Victoria. At the end of 1955 the system served some 66,000 customers and daily capacity of the plants was 24.5 million cu. ft.

To use and distribute Westcoast's natural gas in the Lower Mainland area it is estimated that in building trunk and lateral lines from the Westcoast line, in expanding and installing existing and new distribution systems and in converting customers' appliances, B. C. Electric will spend some $21 million in seven years. Should the company also serve the Fraser Valley area an additional $7-million capital program would be involved.

As much as 50 million cu. ft. of gas daily may be drawn from the Westcoast line in coming years. Potential supplies up to 130 million cu. ft. daily are provided for in the later stages of the contract. This contract which expires in 1977 can be extended under certain conditions to 1992.

Effect of natural gas on company earnings will not be noticeable this year but will start building up next year, states A. E. Grauer, president. By 1959 company should be earning the full allowed return of 6.5% on gas properties as compared with a 1955 return of 3.73% on the mainland and 2.75% for system as a whole, he predicted.

British Columbia Electric net profit for the first seven months of 1956 amounts to $7.3 million. For the year ended Dec. 31, 1955, net profit was $10.3 million.

Cdn. Hydrocarbons

Canadian Hydrocarbons Ltd., Winnipeg, incorporated in January, 1955, has since acquired controlling interest in **Canadian Propane Ltd.,** operating six subsidiaries; **Home Gas Ltd.,** with three subsidiaries; **Saskatoon Propane Gas Ltd.; Sturdie Propane Ltd.,** Calgary; **Hugh Gas Ltd.** and **Propane Gas Services Ltd.** of Cranbrook, B.C.

This gives Canadian Hydrocarbons' propane operations—stretching from Fort William to Vancouver—an annual market of 55,000 customers using close to 40 million gal. Gross investment is about $12 million.

By the end of 1956, company expects to have 47 plants in operation. It also will start construction next year on a $60-million petroleum products pipeline from Alberta to the Lakehead. In addition, development work is underway on a fertilizer plant in Manitoba and a potash mine in Saskatchewan.

Sales in the first six months of 1956 were 67% higher than in same period last year and totaled $1,850,960. Peak sales come in the fall months and forecasts indicate net profit in 1956 will substantially exceed the $203,622 or 35c per common share achieved last year when the company was formed.

Capitalization outstanding consists of 580,000 common shares npv. Company has no funded debt, but Canadian Propane Ltd., a subsidiary, has outstanding at the end of 1955 $460,000 5½% sinking fund debentures series A due 1966.

Cdn. Propane

Canadian Propane Ltd., directly and through subsidiaries sells propane gas and appliances in Alberta. About a year ago slightly over half the voting stock was acquired by **Canadian Hydrocarbons Ltd.,** Winnipeg.

Subsidiaries include: **British Canadian Propane Ltd.; Canadian Propane (Camrose) Ltd.; Canadian Propane (Dawson Creek) Ltd.; Canadian Propane (Peace River) Ltd.; Canadian Propane (Ponoka) Ltd.; Canadian Propane (Gordagas) Ltd.; Canadian Propane Transport Ltd.**

Chief storage warehouse is at Edmonton. Plants are in: Lloydminster, Edmonton and Grande Prairie. Five branch plants are also maintained.

Totaling $1,897,133, sales in 1955 were 42% higher than those a year earlier. Net profit rose 117% to $90,020 from $41,419 in 1954. Total capital expenditures for new plants, office equipment, buildings and land amounted to $133,262 in 1955. Additional capital expenditures included $111,460 for automotive equipment and $247,751 for propane storage tanks.

In 1955 company also redeemed $40,000 debentures. At year end, 1955, this left outstanding $460,000 5½% sinking fund debentures series A due 1966. Share capital outstanding is 564,530 common shares par $1.

Cdn. Western N.G.

Canadian Western Natural Gas Co., Calgary, produces and distributes natural gas for heating, power and industrial purposes. Market served includes Calgary, Lethbridge and various towns and villages in Alberta with an estimated population of 242,000. Company is controlled by **International Utilities Corp.,** New York (see separate write-up in this section).

The company owns or controls renewable gas rights on about 32,000 acres, and participates with others in an additional 8,000 acres in Drumheller area. Estimated gas reserves connected to the Canadian Western system at the end of 1955 were 775 billion cu. ft., including 273 billion at Turner Valley and 428 billion at Jumping Pound.

Company has a contract with **Madison Natural Gas Co.** (a subsidiary of **Royalite Oil Co.**) and **Shell Oil of Canada Ltd.,** for the purchase of gas from the Turner Valley and Jumping Pound fields respectively.

Gross capital additions amounted to $3.1 million ($2.3 million). Capital additions for 1956 were estimated at $5.2 million. Company was negotiating with **Canadian Gulf Oil Co.** for supply of gas from the Nevis area, 30 miles east of Red Deer to serve communities between Red Deer and Calgary, and augment supply of **Northwestern Utilities Ltd.** at Red Deer. The necessary pipelines and distribution systems are under construction. Plans also call for the extension of service to Nobleford and Picture Battle.

Provision is also being made for a $1.6-million addition to company's head office building, scheduled for completion in May, 1957. Company will occupy one floor and rent the rest.

During 1955 Canadian Western obtained 60.1% of gas requirements from the Turner Valley and 34.9% from Jumping Pound. This is processed gas purchased from producers at 10.75c per mcf. The balance was either repressured gas withdrawn from storage or produced from the company's own wells during peak periods.

Gas sales in 1955 rose 10.8% to a record 34.4 billion cu. ft. It is estimated that 4.2% of this rise was due to abnormally cold weather. There would have been a 6.6% increase had temperatures been normal in both years. Gross revenue from gas sales rose by 10.6% to $9,207,750. This increase would have been 6.3% on basis of normal temperatures.

Net profit for 1955 was 16% higher at $1,209,936 ($1,042,942 in previous year). Earnings equaled $4.39 ($3.79) per preferred share and $12.37 ($11.53) per common share. Dividends amounted to 80c (80c) per preferred share and $8 ($7) per common share.

Capitalization outstanding at Dec. 31, 1955, included $6.9 million Series A 3½% first mortgage bonds, due April 1, 1971; 275,410 cumulative redeemable 4% preferred shares, $20 par; and 80,000 ordinary shares, no par, 97.52% of which are owned by International Utilities.

Intl. Utilities

International Utilities Corp., through subsidiaries, is engaged in the management and development of natural gas and electrical companies and properties in Alberta.

Head office is in New York. Its two natural gas subsidiaries (see separate write-ups in this section) — **Northwestern Utilities Ltd.,** which operates in Edmonton and central Alberta, and **Canadian Western Natural Gas Ltd.,** which operates in Calgary and southern Alberta — are the largest of their kind in Canada. An electrical utility—**Canadian Utilities Ltd.**—operates in Alberta, British Columbia and Saskatchewan.

International also handles an investment portfolio.

The three former propane gas subsidiaries — **Hugh Gas Ltd., Propane Gas Service Ltd.** and **Sturdie Propane Gas Ltd.** — were sold to **Canadian Hydrocarbons Ltd.,** in September, 1956. International realized a profit but sales price was not disclosed. Company believes it can more profitably concentrate on natural gas and electric business and other more closely related projects.

Gross natural gas revenue in 1955 rose 13% to $2.2 million while sales rose 15% to 74 billion cu. ft. Company added 10,000 new customers, bringing total to 129,000. Extremely cold weather in Alberta during final quarter helped increase gross natural gas revenues by $795,000.

Estimated gross capital expenditures of subsidiaries this year amounted to approximately $17.8 million ($11.8 million), of which Canadian Western Natural Gas Co. accounts for $5.2 million ($2.9 million), Northwestern Utilities Ltd. $5.7 million ($3.1 million), Canadian Utilities Ltd. $5.8 million ($4.9 million) and the former propane subsidiaries $1.1 million ($900,000).

Consolidated net profit for the nine months ended Sept. 30, 1956, 12.6% higher at $2,801,090 ($2,222,981). Net profit exclusive of net profit on sales of investments (after taxes) was $508,243 ($1,402,242). Earnings equaled $2.35 ($1.92) per common share and dividends amounted to $1.40 ($1.20) per share.

Consolidated net profit for 1955 before parent company charges amounted to $3,834,578 ($3,347,256), of which natural gas contributed 69% (73%), electricity 23% (19%), propane gas 1% (1%) and other investments 7% (7%).

Consolidated net profit for 1955 was 20.2% higher at $3,574,321 ($2,973,044). Earnings equaled $26.95 ($14.61) per preferred share and $3.11 ($2.63) per common share. Dividends amounted to $1.40 ($1.40) per preferred share and $1.60 ($1.45) per common share.

Common stock quarterly dividend was increased to 50c per share in June, 1956, and a similar dividend was paid in September.

Investment in **Trans-Canada Pipe Lines Ltd.** was reduced to about 7% from 12% due to entrance of **Tennessee Gas Transmission Corp.** into one third partnership in Trans-Canada. Company disposed of its share investment in **Anglo-Canadian Oil Co.**

Remaining marketable securities owned at year end had market prices aggregating nearly $4.3 million, which was almost $766,000 more than cost. International also held $4.3 million face value U. S. Government bonds and other short-term investments. Investments have consistently provided an important supplemental income source. Consequently International has been able to permit subsidiaries to retain a large portion of earnings.

International is owned by 6,548 preferred and common shareholders, of whom 3,028 reside in Canada, 3,434 in the U. S. and 86 in other countries. Average holding is 185 shares.

Capitalization outstanding at Sept. 15, 1956, included 116,115 cumulative convertible $1.40 preferred shares, $25 par; and 1,099,391 common shares, $5 par.

Company has no funded debt itself, but that of its subsidiaries amounted to $36,681,500 at year end and total preferred stocks of and minority interest in subsidiaries was $16,173,310.

Interprov. Util.

Interprovincial Utilities Ltd., Ottawa, was established in 1950 to acquire the gas assets of Ottawa Light, Heat & Power Co., following sale of that company's electrical facilities to the Ontario Hydro-Electric Power Commission.

Company plans to distribute natural gas in the Ottawa-Hull district, obtained through a spur from the Toronto-Montreal section of the Trans-Canada line.

Net loss of $31,110 or 22c per share for 1955 was 29% higher than 1954 net loss of $24,107 or 17c a share.

Assets totaled $810,254 at Dec. 31, 1955. Capitalization outstanding consisted of 140,000 n.p.v. common shares, with a book value of $597,343. There was no funded debt.

Great Northern

Great Northern Gas Utilities Ltd., Edmonton, is a holding company controlling a group of subsidiaries which distribute natural gas to Alberta communities. One subsidiary distributes electricity in Yellowknife, N.W.T.; one distributes propane gas and appliances in British Columbia; another distributes manufactured and propane gas and appliances in 17 Ontario centres.

Company was known until May, 1954, as Alberta Consolidated Gas Utilities Ltd.

Natural gas sales last year totaled 1,639,338 mcf, up sharply from 1,101,489 mcf in 1954. Electricity sales amounted to 4,055,486 kwh, an increase from 3,367,938 the previous year. Last year's sales of manufactured gas were 240,355 mcf, down slightly from 250,781 mcf in 1954.

Operating revenue in 1955 increased to $2,450,711 from $1,879,477 the year before. In dollar terms, sales of natural gas were $834,426 ($557,955 in 1954), electricity $178,250 ($154,496), manufactured gas $293,228 ($308,669).

Consolidated net profit of $292,330 or 38c per common share in 1955 was 38.4% higher than 1954's $211,212 or 28c a share. No dividends are being paid on common stock.

Additions to fixed assets last year totaled $527,729, bringing year-end total to $7,015,190. No major new properties were acquired, but existing properties were improved and extended.

Management last year simplified Great Northern's debt structure and acquired additional capital for future needs. Funded debt at Dec. 31, 1955, consisted of $4,196,500 4½% 20-year s.f. debentures.

Equity capital outstanding included 15,000 $2.50 cumulative redeemable preferred shares, par $50 (of an authorized 100,000), and 662,055 common shares, par $1 (of an authorized 1.5 million).

Inland Natural

Inland Natural Gas Co., Vancouver, through subsidiaries owns and operates two natural gas transmission lines in the Peace River area, and has interests in gas wells and in acreage in northeastern British Columbia and South Pouce Coupé area of Alberta.

A natural gas transmission line from Savona to Nelson, B.C., distribution systems and other lateral lines are to be built by the company to serve 44 communities in British Columbia. Gas will be purchased from **Westcoast Transmission Co.** on a 20-year contract.

Combined length of the main line and the lateral lines will be 360 miles. The systems are expected to be completed by the fall of 1957, at an estimated cost of $23,726,000.

Inland has been authorized to supply natural gas on a wholesale basis to a local distribution system in Prince George, and to the electric generating plants of British Columbia Power Commission in Prince George, Quesnel, Williams Lake, 100 Mile House and Kamloops.

A subsidiary, **Peace River Transmission Co.,** plans to have a second pipeline in operation during the coming winter to serve the Dawson Creek area with gas from the South Pouce Coupé field.

Net profit of $107,108 or 4.8c per share for year ended June 30, 1956, was four times 1954-55 net of $26,396 or 1.2c per share. Earnings from all operations for the next five years have been estimated at $656,000, $1,238,000, $1,391,000, $1,221,000 and $1,319,000.

Capitalization outstanding at Oct. 26, 1956, consisted of $5 million 5% cumulative redeemable preferred stock, par $20, and 2,230,703 common shares, par $1.

Consumers

Consumers' Gas Co. of Toronto distributes natural gas obtained from its subsidiary, **Natural Gas Transmission Ltd.,** in Metropolitan Toronto, Oshawa and surrounding area. It also distributes gas in the Niagara Peninsula, through a subsidiary, **Provincial Gas Co.,** which it acquired in March of this year.

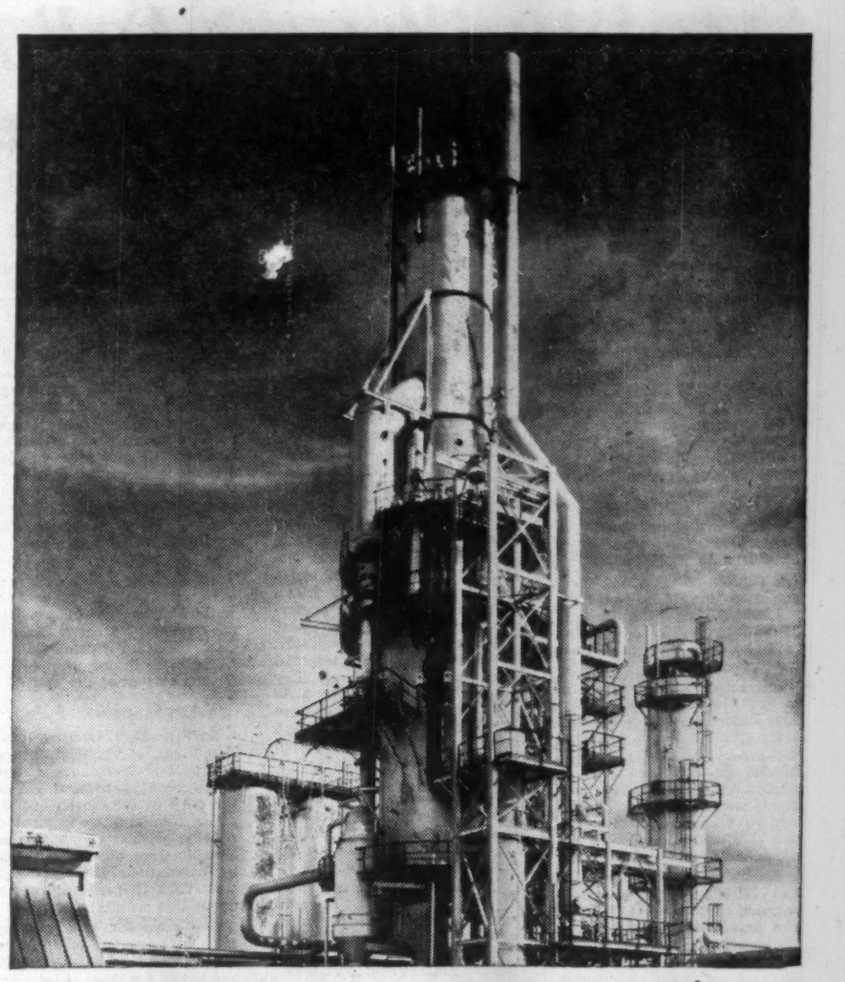
Negotiations with **Trans-Canada Pipe Lines Ltd.** for the supply of natural gas from Western Canada were completed with agreement dated Oct. 5, 1956. This provides for purchase of natural gas ranging in volume from 82.5 million cu. ft. daily in the first year following completion of transmission line from Alberta, to 165 million cu. ft. daily in the fifth year.

When this gas becomes available, Consumers' will discontinue its purchases of Louisiana and Texas gas.

Another acquisition during 1956 was the metered gas division of **Ontario Shore Gas Co.** with customers in Whitby, Oshawa and Bowmanville.

A 12-inch, 26-mile pipeline was completed in October of this year, to supply natural gas to the Whitby, Oshawa and

(Continued on page 66)



HORTON SHAPES NEW HORIZONS

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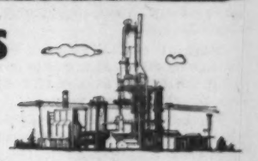

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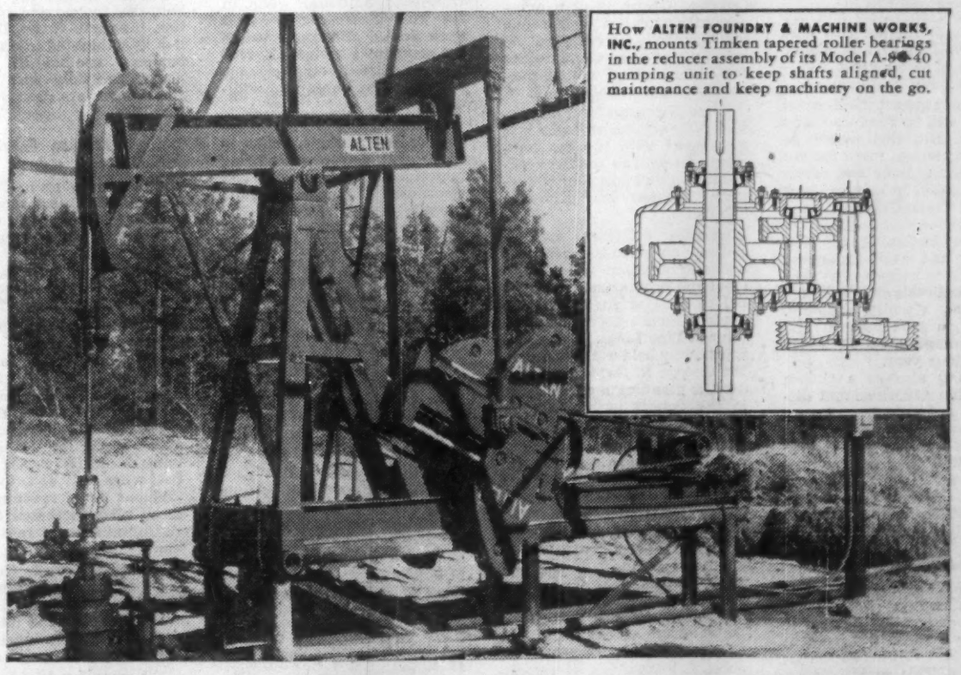

How ALTEN FOUNDRY & MACHINE WORKS, INC., mounts Timken tapered roller bearings in the reducer assembly of its Model A-8C-40 pumping unit to keep shafts aligned, cut maintenance and keep machinery on the go.

Oil pumping unit is 'all pump—no slump' with shafts on TIMKEN bearings

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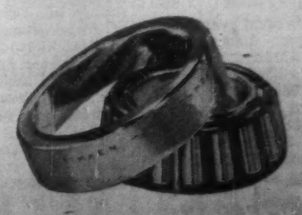

NOT JUST A BALL ○ NOT JUST A ROLLER ⊂⊃ THE TIMKEN TAPERED ROLLER ⊂⊃ BEARING TAKES RADIAL ◊ AND THRUST —◊— LOADS OR ANY COMBINATION

Gas Distributors' Dollar Sales Up 23%

(Continued from page 65)

Bowmanville areas. Mains, costing $4.3 million, were constructed in metropolitan Toronto.

During the fiscal year ended Sept. 30, 1956, natural gas sales to customers in the Toronto area doubled. In the April-September period, Provincial Gas Co. increased its volume by 41%.

A rate reduction was introduced Oct. 1, 1956, estimated to cut customers' bills by $1 million a year.

For the 12 months ended Sept. 30, 1956, gas sales totaled 8,930,109 mcf compared with 4,638,084 mcf in 1954-55. Maximum daily send-out of parent company and subsidiaries was 39,039 mcf, up from 26,992 mcf the previous year. Average use per residential customer of Consumers' Gas rose from 16.86 mcf to 28.24 mcf.

Consolidated operating revenue rose to $15,691,909 from $12,916,381. Net profit rose to $1,195,421 or 82c per share, from $964,457 or 80c a share the previous year.

Interest on funded debt rose to $808,076 from $582,619 the year before, as the result of a $10 million borrowing during the year. At Sept. 30, 1956, funded debt consisted of $9 million 3¾% first mortgage s.f. bonds, series A, due 1974; $7.5 million 4¼% s.f. debentures, due 1974; and $10 million 4¾% s.f. debentures, due 1976.

Equity capital consisted of 1,455,520 shares, par $10. Contributed surplus was $2,971,635, and earned surplus $1,503,547. Dividends at the rate of 8% (80c per share) per annum have been paid, quarterly, since 1941.

Working capital at Sept. 30, 1956, was $2,890,256, compared with $4,182,346 at the end of the previous fiscal year.

Further expansion of facilities may require additional financing before May 1, 1957, President A. L. Bishop said last year. Some portion of this may be equity capital.

Sask. Power Corp.

Saskatchewan Power Corp., Regina, Sask., currently provides natural gas from Western Saskatchewan's Coleville field to Saskatoon and to towns and villages in the nearby area. Plans have also been completed to build a line from gas fields in the southeastern fields to Moose Jaw. Work was originally scheduled to be completed this year. Battleford and Humboldt will also get gas this year.

By 1957 the line may also be extended to Regina. The section to Moose Jaw and the extension to Regina will cost about $6 million each including purchase of storage and distribution systems in Regina.

It is thought that the Success gas field will be used up fairly quickly. But this would be used as a storage space for gas from other sources and result in a reduction in cost price of gas from Trans-Canada line, it is stated.

At the beginning of 1955 company had 9,432 customers, over twice as many as the year before and this total is reported as growing quickly. Revenue in 1954 reached $1.3 million jumping from $195,919 the previous year.

Company also as a Crown corporation generates and distributes electrical power throughout the province. Total net profit for 1954 was $1,186,862, up 43% from the year before. Gross gas and electrical revenues in that year totaled $13.2 million compared with $10.6 million in 1953.

Mid-Western

Mid-Western Industrial Gas Ltd., Edmonton, operates a pipeline and gathering system to supply natural gas from its own wells to industrial customers. This summer company also completed contract negotiations with **Imperial Oil Ltd.** whereby it will purchase residue gas from Imperial's Redwater gas processing plant now under construction and likely to be completed by the end of this year.

Mid-Western holds contracts to supply: **Sherritt Gordon Mines Ltd.** a minimum 2.8 billion cu. ft. per year; **Calgary Power Ltd.** 12 billion cu. ft. over a four-year period after the first full year's operation; **Northern Canadian Oils Ltd.** 7 to 14 million cu. ft. a day.

A follow-up well at Calahoo, Alta., adjacent to the Alexander Indian Reserve gas, has been completed recently with an open flow of 31 million cu. ft. daily. At year end 1955, company held 89,000 acres of proven and semi-proven land in Alberta and six exceptionally good wells.

In company's fiscal year ended mid-August, 1955, gross sales totaled $310,216 and net profit $25,637. This compares with sales of $66,560 the previous year and a net loss of $109,191. Capitalization consists of $2 million 5% notes and 4 million authorized, 2,521,310 issued common shares.

Superior Propane

Superior Propane Ltd., Toronto, markets propane gas (liquefied petroleum gas) in Ontario and sells appliances and equipment for the use of the gas. Company maintains storage plants in six centres throughout the province as well as showrooms and a fleet of trucks.

When company was formed in 1951 to purchase the retail Essotane Division of **Imperial Oil**, there were about 9,300 installations consuming 1.7 million gal. a year. At Nov. 30, 1955, company had 24,000 installations using propane at an annual rate of over 6.5 million gal.

Since that time operations have expanded rapidly. At the end of October this year, company had 26,600 customers (22,970 a year earlier) who had used in the first 10 months 8.4 million gal. (5.3 million in same months last year).

Net profit for year ended Nov. 30, 1955, was $203,934, 1.9% higher than a year before. Gross revenue was $580,996 and depreciation taken $179,283. Earnings per preferred and common share were $5.10 and 40c respectively. Dividends on the preferred stock have been paid regularly quarterly at the rate of $1.40 per share per annum since July, 1954. No dividends have been paid on the common shares.

No earnings figures for the first 10 months of 1956 are available, but during this time sales total almost $3.9 million as against $2.7 million in the same months last year.

Company entered the Head of the Lakes late in 1955 when it acquired **Northern Propane Gas Co.**, of Fort William which in turn acquired **Border Bottled Gas & Fuel Co.**, Fort Francis, Ont.

Outstanding capitalization consists of $1.9 million 4% sinking fund series B bonds; 40,000 $1.40 cumulative preferred shares ($25 par) and 369,240 common shares (no par). Warrants to purchase 60,000 common shares at various prices are also still outstanding.

Company, either by itself or jointly with other interests is looking at possible construction of a pipeline to transport propane from Winnipeg to Fort William to link with Ontario and Quebec markets. It is estimated that the 450-mile link would cost approximately $15 million.

Lakelands

Lakeland Natural Gas Co., Toronto, was formed in 1954 to secure franchises to distribute natural gas in a number of municipalities and townships along the north shore of Lake Ontario. Grouping of a number of franchises under one management is designed to bring to smaller communities the advantages of volume purchases of gas supplies.

Some 17 centres have authorized civic officials to enter into agreement with the gas company. As well as smaller communities, these include Belleville, Trenton and Kingston Township.

Current activities are all centred on securing clearance and authorization from municipal and provincial authorities before final arrangements are made to secure gas from **Trans-Canada Pipe Lines.** Ownership is privately held at the moment, but George R. Gardiner, president, is planning a public issue in the future to help design and build the necessary municipal gas systems.

Great Northern Gas Utilities Ltd., Edmonton, Alta, owns about one third of Lakeland stock. Commonwealth Services Inc., New York, has been retained for over a year as economic and engineering consultants.

Officers include: George R. Gardiner, president; Welland D. Woodruff, vice-president; L. Sanford Reis, vice-president; John J. Fitzpatrick, secretary-treasurer. Other directors: Max Bell, D'Arcy Doherty, Clifford Walker.

Northern Ont. N.G.

Northern Ontario Natural Gas Co. incorporated early in 1954 to distribute and sell natural gas in northern Ontario. By the end of 1955 it had obtained franchises in some 16 centres through the mining district including North Bay, New Liskeard, Timmins, Hearst and Cobalt. Since that time another 20 communities have been added and the company's area of operation now sweeps from the Manitoba - Ontario border to Orillia.

In June of this year Northern Ontario Natural Gas acquired a 51% interest in **Twin City Gas Co.** and this affiliated company holds franchises to supply the natural gas needs of Fort William, Port Arthur, Dryden, Geraldton and Nipigon. Common purchase of some 100 million cu. ft. of gas per day from **Trans-Canada Pipe Line** has been arranged.

Twin City, it is understood, will retail to commercial, residential and smaller users in the Lakehead while Northern Ontario Gas will look after sales to the large industrial users in the area. Northern Ontario will also service all other areas and major industrial consumers which currently include 11 major pulp mills and two large important mining companies. While most of the engineering and planning will be done by Northern Ontario Gas, Twin City will share fully in these services.

Company estimates potential sales of some 100 million cu. ft. per day to approximately 50,000 customers, domestic, commercial and industrial consumers.

Capital for the system is likely to exceed $30 million. So far expenditures have been limited to engineering surveys and the obtaining of franchises. Shortly after Trans-Canada financing has been arranged, Northern Ontario plans to float a bond issue in the neighborhood of $19 million, a debenture issue of perhaps $6 million and a common stock issue of around $4 million.

If as currently scheduled Trans-Canada begins construction on the Winnipeg-Fort William link of the pipeline next spring, Northern Ontario Gas will start construction of its system, timing completion for the arrival of the gas.

Northwest Util.

Northwestern Utilities Ltd., Edmonton, is engaged in the production, transmission and distribution of natural gas to the City of Edmonton and 31 other communities in central Alberta with a population of 269,000. Company is controlled by **International Utilities Corp.**, New York (see separate write-up in this section).

Gas sales for 1955 rose by 19% to a record 39.6 billion cu. ft. Industrial sales, up 34%, accounted for most of increase. Domestic and commercial sales rose 12%.

Gas sales revenue rose 14% to $9.6 million. Increased gas sales in the lower-priced industrial classification accounted for the small proportionate increase in revenue over volume sold.

Over 4,800 new customers were added during the year, bringing total served by company to 65,155 at year end.

Net profit for 1955 was 9.2% higher at $1,921,001 ($1,785,992 in previous year). Earnings equalled $29.55 ($27.06) per preferred share and dividends amounted to $4 ($4).

In 1955, $3,100,000 was spent on capital additions, including the extension of service to the communities of Stony Plain and Spruce Grove. Property in downtown Edmonton was purchased for the future erection of a new office bulding. To meet the rapidly rising peak demands, additional wells in the Fort Saskatchewan field were drilled and connected to the company's system. In 1956 it is anticipated over $4,400,000 will be spent on capital additions.

With the rapid growth on the company's markets, sharply rising peak demands are being imposed on the production and transmission systems. Flexible supplies of gas are essential in order to serve periods of high demand and therefore additional dry gas reserves must be connected to the system from time to time. In 1955 company acquired drilling and producing rights on 15,860 acres of land in the Beaverhill Lake area 40 miles east of Edmonton. Successful gas wells have been completed on the acreage and additional exploration and development work is planned for the area.

Northwestern's 1956 construction program will provide service to nine new communities. These are Mundare, Hilliard, Chipman, Lamont, Bruderheim, Josephburg, Onoway, Millett and Sylvan Lake. A total of 5,000 new customers will be added to system this year.

Company issued an additional 40,000 cumulative redeemable 4% preferred shares, $100 par, in April 1956.

Capitalization outstanding upon completion of this financing included $18,080,000 first mortgage bonds, due 1971-79; $2,331,000 3⅜% promissory notes payable, due Sept. 1, 1969; 105,000 cumulative redeemable 4% preferred shares, $100 par; and 170,000 common shares, $25 par (all owned by International Utilities).

United Fuel Invest.

United Fuel Investments Ltd., through its subsidiaries **United Suburban Gas Co.** and **Wentworth Gas Co.**, distributes and sells gas in Hamilton, Ont. area as well as manufacturing coke, tar and sundry oils. The subsidiaries were recently amalgamated to simplify corporate structure and produce operating economies.

Net profit for the year ended Mar. 31, 1956, amounted to $697,295. This compares with $484,121 in 1955. Increase due mainly to greater industrial demand for coke and higher average sales price per ton.

Late in 1955, United Suburban Gas completed a long-term contract with **Niagara Gas Transmission Ltd.** for enough natural gas to permit conversion of its system in Oakville, Dundas, Bronte, Trafalgar, from manufactured gas. In recent months company has also obtained franchises to distribute gas in three other centres in the area. Construction of a pipeline to these centres is under way.

Including the small amount of natural gas sold in markets converted late in the year, total gas sales were 2.5% higher last year than in 1955. Declining residential gas sales were more than offset by larger industrial sales.

Company spent some $54,900 in conversion of customers' appliances to natural gas last year. Its intention is to write this off over a 10-year period. Pro rata charge for this purpose in the last three months of fiscal year 1955 was $1,500.

Wpg. & Central

Incorporated in November, 1952, to take over the gas utility formerly owned by **Winnipeg Electric Co., Winnipeg & Central Gas Co.** produces and distributes gas in Winnipeg.

Company has suffered from continued delay in the arrival of natural gas. It has been faced with the problem of supplying manufactured gas to the city to provide continuity of gas service. It has also been preparing a large expansion of facilities for natural gas distribution. It is seeking a build up maximum residential as well as industrial markets.

Net loss for year ended Dec. 31, 1955, amounted to $492,033 compared with a loss of $344,702 the year before.

Assuming delivery will begin this year, company estimates that it will distribute over 11 billion cu. ft. by 1961 compared to an equivalent send-out of 494 million cu. ft. in 1955. Potential 31,000 customers by 1961 compared to 15,000 in 1955. Total revenue should top $8 million by 1961.

In 1953 company acquired **Home Gas Co.**, propane distributors in Winnipeg, Saskatchewan and western Ontario. In 1955 it acquired **Canadian Propane Ltd.** selling propane gas and appliances in B. C. and Alberta.

These properties were subsequently sold to **Canadian Hydrocarbons Ltd.**, a new company established for the purpose and in which Winnipeg & Central Gas holds a 19% interest. Its share in this firm's earnings is not included in Winnipeg & Central's accounts.

Capitalization outstanding includes $4,600,000 4% first mortgage bonds; $2,400,000 5½% debentures due 1968; 584,990 common shares n.p.v. Company's 4% first mortgage bonds issued in Nov., 1956, to help pay for current construction program. Some $2.6 million hypothecated to company's bankers, another $2 million placed privately with institutional investors. Bonds to mature 1960.

Union Gas

Union Gas Co. of Canada with headquarters in Chatham, Ont., directly or through subsidiaries is engaged in the production, transmission and distribution of natural gas in southwestern Ontario. Company supplies major centres including London, Windsor, Chatham, Wallaceburg, Dresden, Petrolia.

Residential gas sales increased 12.9% to 910,000 mcf during the fiscal year ended Mar. 31, 1956. An additional 4,000 residential meters were added to the line bringing the total to nearly 84,200. Industrial sales rose 41% to 642,576 mcf but gross revenues from these sales increased by only 18.3% because of rate adjustment.

Gross revenues from gas sales were 13% higher in the past year, over-all sales volume rose 17.4% and the total number of customers increased by 4,400 during the year to 93,600.

Company has been exploring for and developing natural gas reserves in southwestern Ontario since 1906. Over $4.1 million has been spent on this work alone in the last 10 years.

For fiscal year ended Mar. 31, 1956, total production from all company fields was 1.3 billion cu. ft. Today Union Gas operates 305 wells, of which 118 are in the Tilbury field first discovered in 1906.

Company also purchased 7.2 billion cu. ft. from other Ontario producers of which 5.9 billion cu. ft. come from the wells of **Imperial Oil.** Imports of natural gas by the company during the fiscal year just ended amount to 5.5 billion cu. ft.

Company's contract with Panhandle Eastern Pipe Line Co., which was signed in 1944 and called for delivery of 5.5 billion cu. ft. per year, was revised in July, 1956, to provide for delivery of an additional 10.5 billion cu. ft. to 15 billion cu. ft.

In first year Union Gas will receive 10.5 billion cu. ft. under the terms of the contract; during the last 15 years of the 20-year contract, shipments will increase to 15.5 billion cu. ft. Contract can be canceled on a year's notice provided this is done either before 1960 or within a year from the time Trans-Canada Pipe Lines' deliveries are begun in the Toronto area.

On June 15, 1956, Union Gas announced that its contract with Trans-Canada had been amended to provide for substantially larger sales of gas to the company from the Trans-Canada line.

Under this new agreement maximum annual volume which Trans-Canada is obliged to deliver is 12.5 billion cu. ft. in the first year, increasing to a maximum 64 billion cu. ft. in the thirteenth year and continuing until the end of the contract period. Original contract called for delivery of maximum volume of 15.5 billion cu. ft. by the end of the sixth year. New contract provides for sale and delivery of natural gas for a 20-year period from the date when regular deliveries begin.

Company wants to purchase all the gas available in southwestern Ontario and its Trans-Canada commitments are sufficiently flexible to allow the company to take 25% less than maximum annual volumes.

Currently Union Gas is pushing plans to complete the first major step in a $20-million gas transmission system in southwestern Ontario. Until the Hamilton area is connected with the Lambton County storage fields and/or additional storage facilities have been established in the Dawn area, company does not plan to increase imports substantially.

Other major centres such as Kitchener - Waterloo, Guelph, Stratford, will be provided with natural gas through the new system.

Company's net profit last year was just over $2 million or equal to $2.86 per share, compared with $1.9 million or $2.75 per share in 1954.

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The problems of making special oils in Canada are made more difficult by the varying climatic conditions. Oil has to flow easily in winter 50 below zero, to stay thick enough to lubricate in 90-degree summers, and to operate under a great range of conditions.

For this reason **Imperial Oil's** lubrication research, headed by Dr. O. S. Pokorny, has been one of the most comprehensive of its kind in the world.

When the maker of diesel locomotives had trouble with excessive wear, bearing corrosion and carbon deposits in his engines after runs of 40,000 miles and more, Dr. Pokorny was consulted and announced he already had an oil which would stop this trouble.

He had anticipated this problem two years previously. By processes which are still secret, he produced the oil for the engine makers. Not only did it eliminate 90% of all deposits, but the engines could then run for 240,000 miles without an overhaul.

"Oils," says Dr. Pokorny, "have to stand up to almost incredible use. They have to last for years in the sealed bearing of a 2.6 million lb. electric generator; they have to be delicate enough to work in tiny instruments and tough enough for the earth-movers of Kitimat.

"Ships, aircraft, trucks, buses, trains, mine shafts and industrial machinery all use specially made oils."

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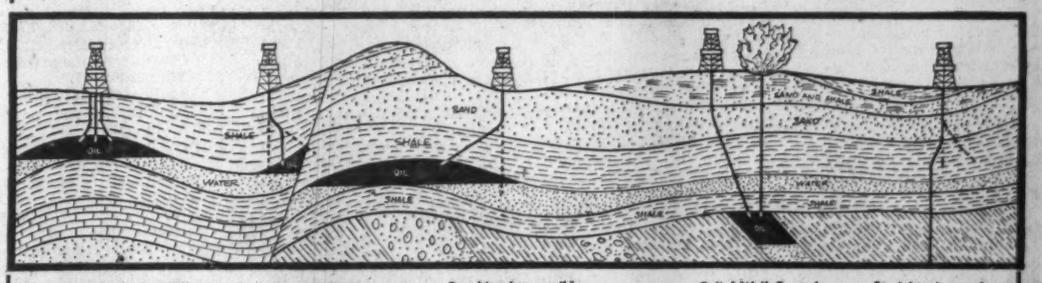
Eastman

ORIGINATORS AND PIONEERS OF

CONTROLLED DIRECTIONAL DRILLING



Drilling Multiple Wells from Single Location | Re-drilling Old Wells Profitably | Reaching Inaccessible Locations | Relief Well Control | Straightening and Sidetracking

H. John Eastman's new method of CONTROLLED DIRECTIONAL DRILLING made history in 1933 — was the method that brought the wild Alexander #1 at Conroe, Texas, under control. Since then Eastman engineers have developed DIRECTIONAL DRILLING to new applications, leading to the recovery of millions of bbls. of oil.

EASTMAN SERVICE PAYS DIVIDENDS IN THE PEMBINA AND JOFFRE FIELDS

In Canada, as in other parts of the world, Eastman service has pioneered the use of CONTROLLED DIRECTIONAL DRILLING to: EXPLOIT new oil reservoirs; DEFLECT the course of the well to reach otherwise inaccessible bottom locations; SIDETRACK obstructions; STRAIGHTEN holes; and CONTROL wild wells. In the Pembina field CONTROLLED DIRECTIONAL DRILLING is currently overcoming some of the most difficult drilling conditions in the Canadian West, bringing about substantial savings to the operators.

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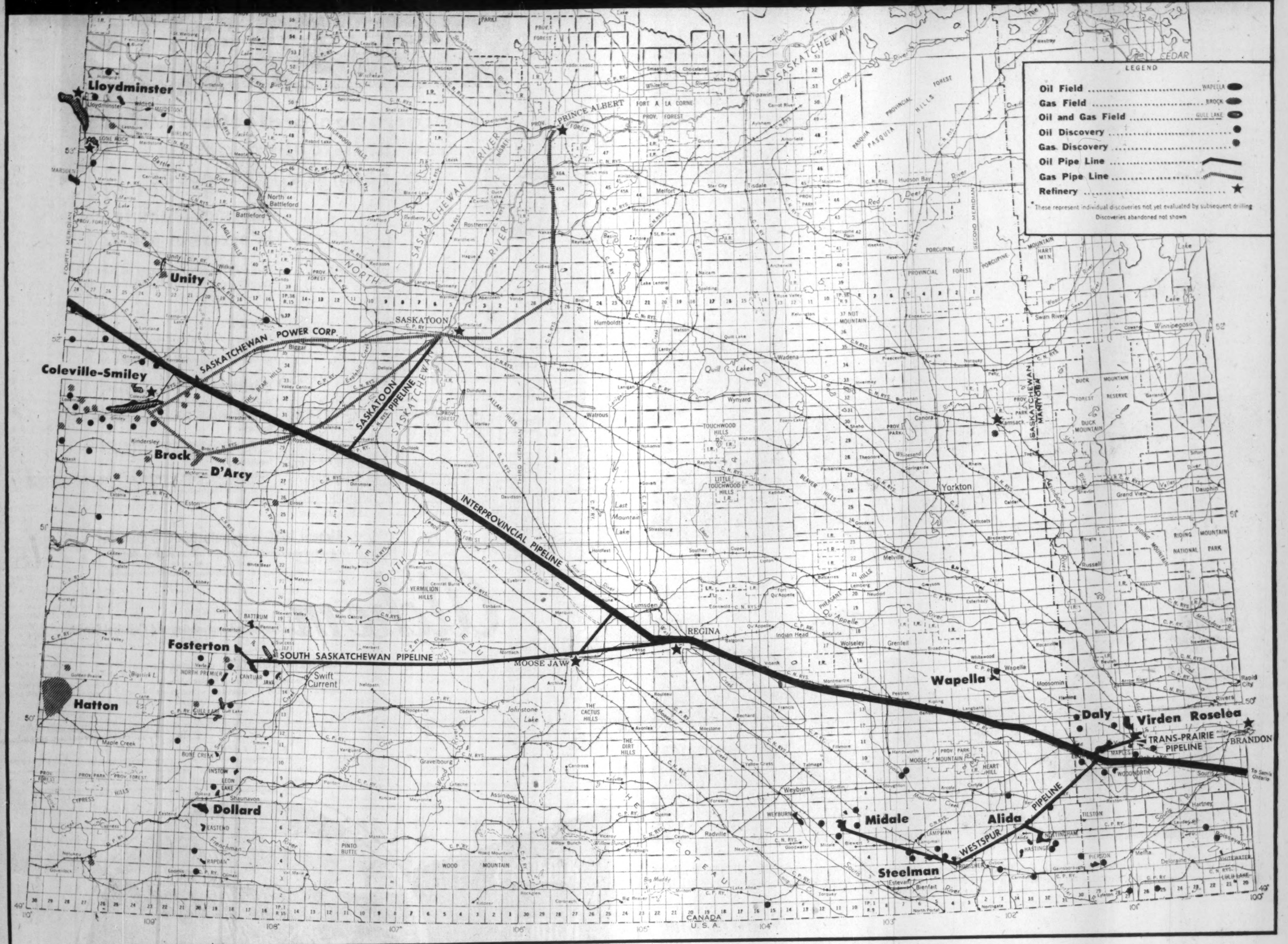
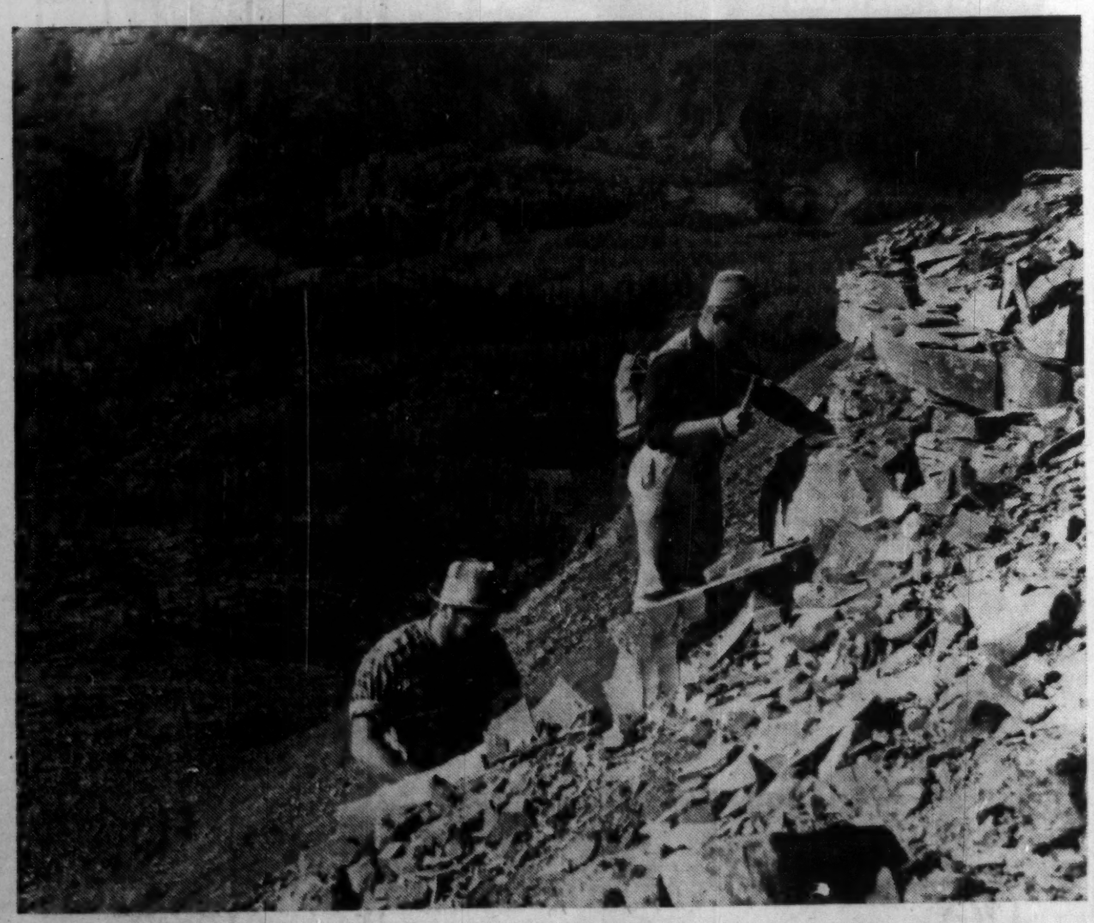
SASKATCHEWAN — Hottest Wildcatting Area





NORTHEASTERN B. C. is getting the oilman's version of the fine-tooth comb. These geologists chip rock samples from an outcropping near the Nahanni Valley, hundreds of feet above the forest. The samples go to Calgary labs for examination.

Take the trouble out of winter

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solve your toughest transportation problems too!

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'JEEP' SEDAN DELIVERY

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'Jeep' vehicles are internationally recognized as the most dependable means of transportation today! The ability of these modern workhorses to go through snow, sand, mud, over icy roads, up and down steep grades, across open country, make 'Jeep' 4 wheel-drive vehicles Canada's first choice for the really tough jobs!

TRACTION. Four wheel-drive gets you through snow, ice, mud.

SNOW PLOWS. Angle, V or Blower types.

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CAB. Ideal for winter working comfort. WINCH increases uses of vehicle.

COMPRESSOR. Power take-off driven. One-man operation.

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JEEP-A-TRENCH. Even trenches in frozen ground.

DUMP-O-MATIC. Saves time, cuts costs.

For the toughest "impossible" jobs the world automatically thinks of 'Jeep'

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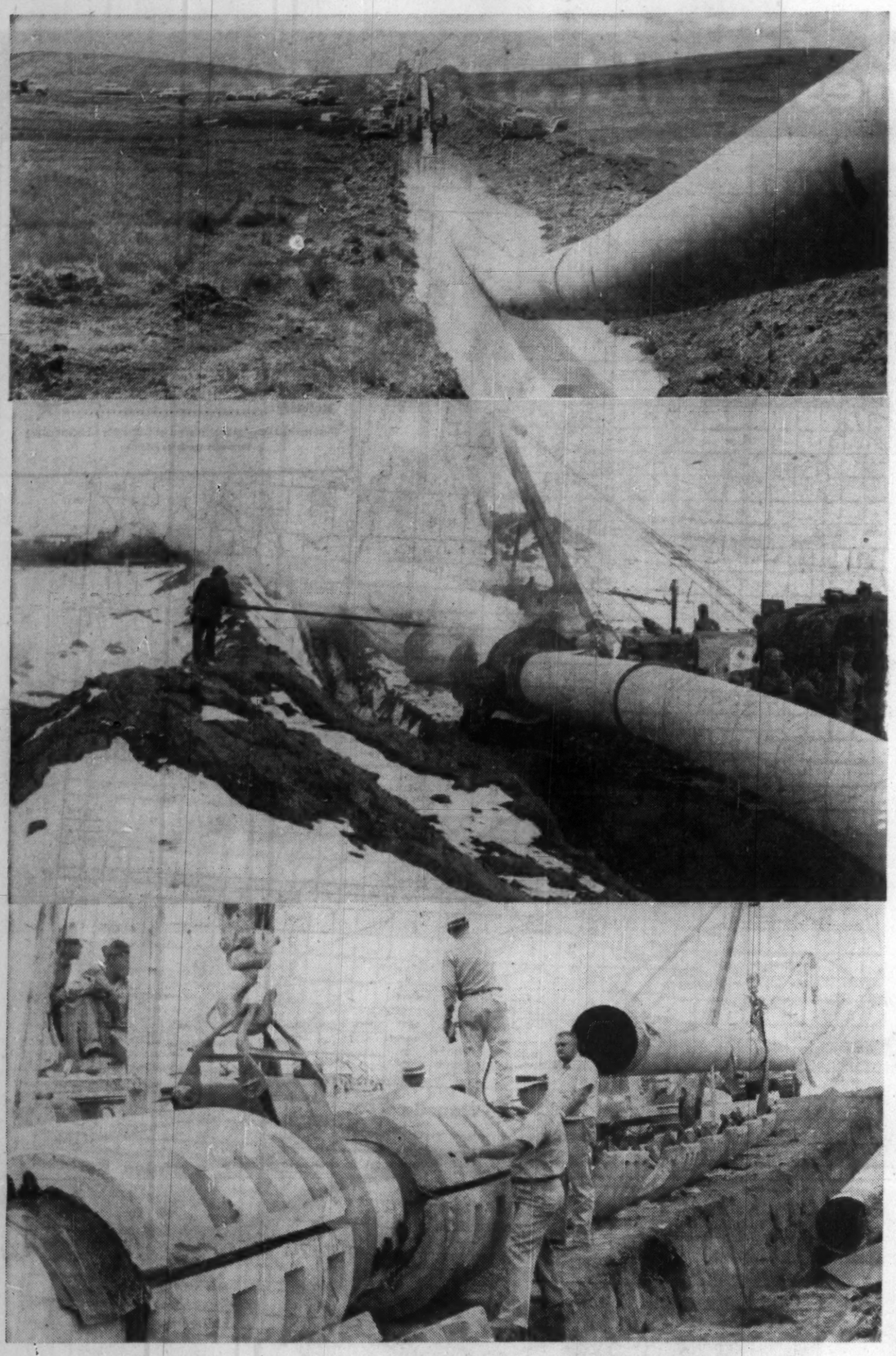
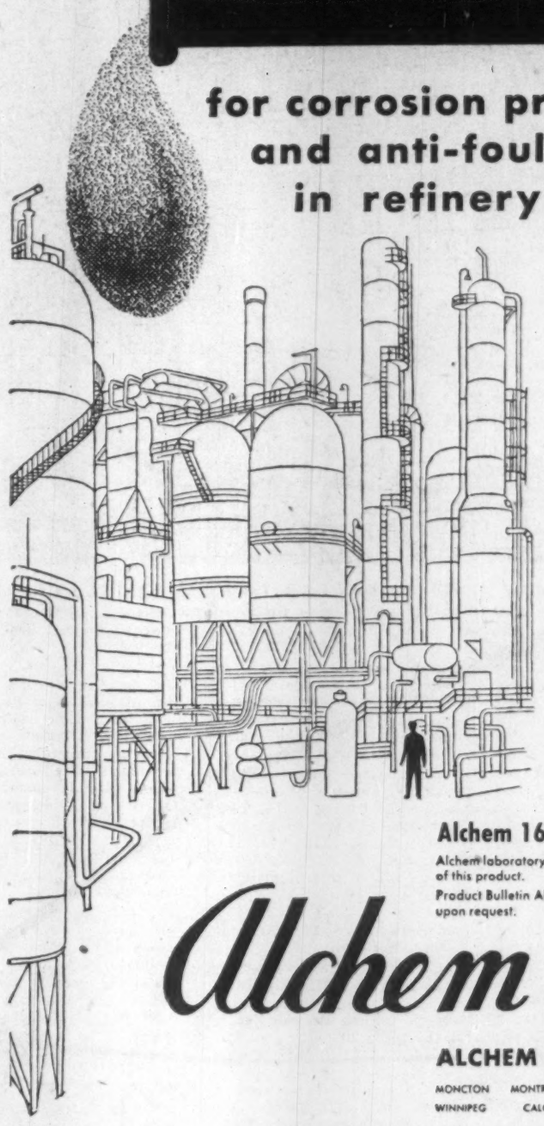


THROUGH MUD, SNOW AND BOGLAND, the Trans-Canada gas pipeline presses on eastward this year. This is part of the 34-in. line crossing the Prairies on the first lap from Alberta to Winnipeg. Large concrete weights (bottom) hold the pipe down in swampland.

ALCHEM 161C

for corrosion protection and anti-fouling action in refinery processes



Thermal Stability in excess of 650°F.

This outstanding property of thermal stability permits application to many refinery processes.

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The operation of your refinery equipment to determine performance in terms of percentage of maximum throughput of installed capacity.

CONSIDER:

The advantages of Alchem 161C . .

Corrosion inhibition obtained by organic film formation.

Powerful detergency for anti-fouling action in heat transfer equipment and the trays of fractionators.

Inhibition of hydrogen blistering.

No product losses due to carry-under in separators.

Alchem 161C is manufactured in Canada

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Product Bulletin Alchem 161 and additional information are available upon request.

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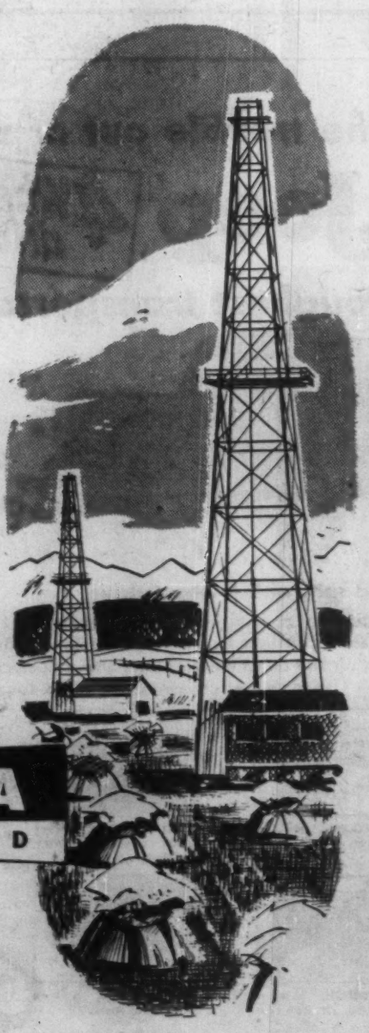
OKALTA continues expansion program



Okalta - a pioneer independent whose founder brought in the first producing well in Alberta - surges ahead. Since 1926, the Company has acquired (or has varying interests in) 72 producing wells. Its operations now extend into 21 areas of Alberta, Saskatchewan, B.C., North Dakota, Wyoming and Texas. Not content with this healthy state of its affairs, Okalta is continuing its aggressive campaign toward acquiring an even greater share of the nation's oil reserves.

OKALTA OILS LIMITED

For Full Information, Contact the Head Office 239 - 6th Ave. S.W., Calgary, Alberta.

Natural Gas Consumer Too

Natural gas is not only one of the basic raw material suppliers to the fast-growing petrochemical industry but is itself a consumer of an important petrochemical product soon to be processed in this country.

Ethanolamines, soon to be produced, for the first time by Dow Chemical of Canada at its Sarnia petrochemical operation is an all-important chemical essential to the treatment of crude gas.

The ethanolamines — really a set of chemical triplets, each performing different functions in the chemical industry — are used largely as a scrubbing agent to remove sulphur from the crude gas. Most natural gas contains hydrogen sulphide which spells danger for any pipeline operation, since it can corrode pipe in very short order.

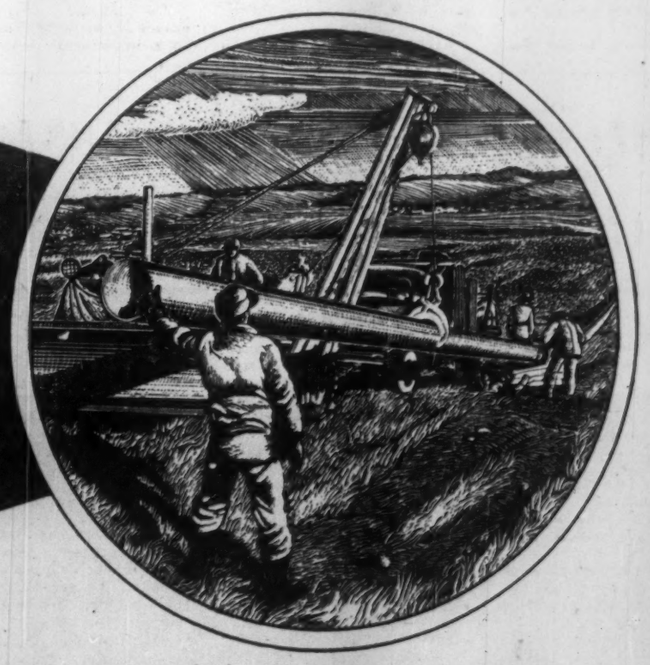
Most natural gas contains some 90% hydrocarbons, mostly methane, 6.5% carbon dioxide and an average 3.5% hydrogen sulphide. For both domestic and industrial use as a fuel, the gas must be processed to remove the carbon dioxide, the hydrogen sulphide plus water vapor and natural gasoline.

The refined product which goes into the pipeline at the plant is known as "sweet gas" and is almost pure methane.

The extent of the potential market for ethanolamines in this country can be measured by the prediction of available gas reserves over the next 20 years, which is estimated will grow from a present 16 trillion cu. ft. in Alberta to more than 100 trillion cu. ft. by 1980.

Oil refiners are also turning more and more to use of ethanolamines for scrubbing out hydrogen sulphides. Other uses are in production of surface active agents, and the greatest single use is in the production of moderate duty household detergents.

Alberta's Natural Gas Service expansion . . .



KEEPS ON ROLLING

To Alberta's natural gas utilities, service means more than supplying fuel for today's requirements. It means more than "keeping pace" with ever-growing demand. Natural gas service in Alberta includes "planning ahead" as a continuing process. The result: efficient, low-cost fuel is always standing by to serve new industries as they locate in Alberta . . . and to serve the people these industries bring with them.

Serving Alberta today . . .

Building For Tomorrow . . .

CANADIAN WESTERN NATURAL GAS COMPANY LTD.
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Lakes Gas Search Hits Record

Offshore drilling and exploration for natural gas in the waters of Lake Erie, Lake St. Clair and Lake Huron reached all-time high proportions this year.

The 1956 record:

—Another 13 successful completions made by **Consolidated West Petroleums** on its Lake Erie holdings.

—A start on a drilling program in Lake Erie by **Midcon Oil & Gas Ltd.** and associated companies.

—Three capped gas wells completed in Lake St. Clair by **Lake St. Clair Gasfields.**

—Stepped up exploration by several groups holding acreage on the lakes.

Forecasts point to another wave of activity in the 1957 season.

Leader in the field, Consolidated West Petroleums, chalked up another record year. Pushing its offshore drilling program off Port Alma, it has completed its 13th successful gas well in Lake Erie this year. Two others were uncompleted.

This brings the total to 35 wells drilled since the company began operations some 13 years ago.

The booming field's reserves have not been made known by the company but they are termed "sufficient to meet the requirements of the contract with **Union Gas Co.** calling for 1.8 billion cu. ft. in 1957."

Only about 4% of Consolidated West Pete's acreage has been explored. It holds about 80 sq. mi. of territory.

Consolidated West Pete holds leases on over 12,000 acres under Lake Erie, opposite the Tilbury gas field.

Production is sold to Union Gas Co. and **Dominion Natural Gas Co.**

Initiating drilling in September this year Midcon Oil & Gas and associates confined operations to the 14,000-acre Midcon property between **Imperial Oil** and Consolidated West Pete.

Altogether, Midcon and associates had some 60,000 acreage near Port Alma this season.

Exploration and geophysical survey work preceded a September start on drilling. The first exploratory test well was drilled on an indicated structural "high" as outlined in a gravity-meter survey.

Operating on its 85,000 acres, Lake St. Clair Gasfields has completed four capped gas wells on the Lake St. Clair holdings.

Its first success was drilled about a year ago and a second well was completed this summer, about 4,000 ft. from shore and about 1,500 ft. beyond the first well.

The three wells drilled this year are said to have a potential flow on restricted choke ranging from 100,000 to 280,000 cu. ft. daily.

An expanded program is in the offing for next season.

Imperial Oil is one of the active participants in the Lake Erie picture.

Results was a dry hole this summer some 20-25 miles east where Consolidated West Pete had been drilling a well on a farmout from Imperial off Howard Township.

Earlier this year, about a dozen new companies took up some 150,000 acres in exploratory leases as a wave of interest in the areas built up.

A total of 425,000 acres in the three lakes were under exploration permits taken out with the Ontario Department of Mines.

These included:

Alator Corp. and **Yellowknife Bear Mines,** associated with Midcon, **Canadian Export Gas** and **Canadian Prospect Ltd., Dom. Natural Gas, Harvest Petroleums,** Elmer A. Roth, R. G. Thompson, J. Warwick, **Pan Western Oils, Springstein, Westpac Petroleums,** W. H. Watson and **Union Oil.**

Some geologists see extension of favorable gas area in Lake Erie across the lake to the U. S. shore. Further extensions of the underwater gas field are expected in any case, in all three directions.

Consolidated West Pete, for example, has pushed the extension of the field this year to beyond the four-mile mark.

With a large market waiting for production from the lakes, there's plenty of incentive for exploration and drilling programs. A gradually rising price trend for gas is another optimistic factor.

Consolidated West Pete last year stepped up its operations in the May-September drilling season, drilling and completing seven wells, all with good gas production. This brought the total number of wells to 19 with a combined potential of 20 million cu. ft. daily.

An extension of the Tilbury field, gas has been found one, two, three and four miles out in the lake. Later completions extended this limit.

The wells produce from depths ranging from 1,050 to 1,350 ft. in the Salina and Guelph Dolomites.

The company holds 20 square miles under lease and holds exploration licences for another 45 square miles.

A unique feature of the Consolidated West Pete operation is that it leaves well-heads under water — believed to be the only firm using this technique. Well-heads are 30 to 40 ft. from surface of the lake. Original design and sectional idea of the platform makes it possible to drill at any distance from the shore in western Lake Erie, the company maintains.

The company drilled its first well back in 1943 a mile from shore near Port Alma. A wooden platform in 35 ft. of water was used in this project.

The well was completed at 1,280 ft. and measured 900,000 cu. ft. of daily open flow and showed a rock pressure of more than 350 lb. per sq. in. gauge.

Platform was left unavoidably in the lake that first winter. It proved costly since floating ice destroyed the platform and ripped off the well-head which was about 7 ft. off lake bottom. A new platform was rebuilt in the spring and the well-head repaired. But the well has not been produced because of the water bailing problem.

Cons. West Pete continued to drill from wooden platforms from 1945 to 1949, completing four more wells from 1 mi. to 1½ mi. from shore.

With five successes behind it, the company designed and built a portable steel tower and platform, using it first in 1951. A second platform was added in 1954.

Drilling crews are taken to and from the platform in a diesel-powered work boat as are all casing for the well and materials. Each tower has a four-man crew and cook living on the platform, equipped with living quarters.

The first 12 wells drilled from 1943 to 1954 were connected to the shore and the Union Gas Co.'s lines by three-inch steel pipe laid on the lake bottom. The lines were assembled on shore and pulled into position a mile or more out in the lake, then connected to well-heads by divers.

With well-heads and pipelines on the lake bottom, there's no visible sign on surface once a well has been completed and platform moved away.

To locate a well, a system of cross beacons set up on shore permits finding a well-head for inspection.

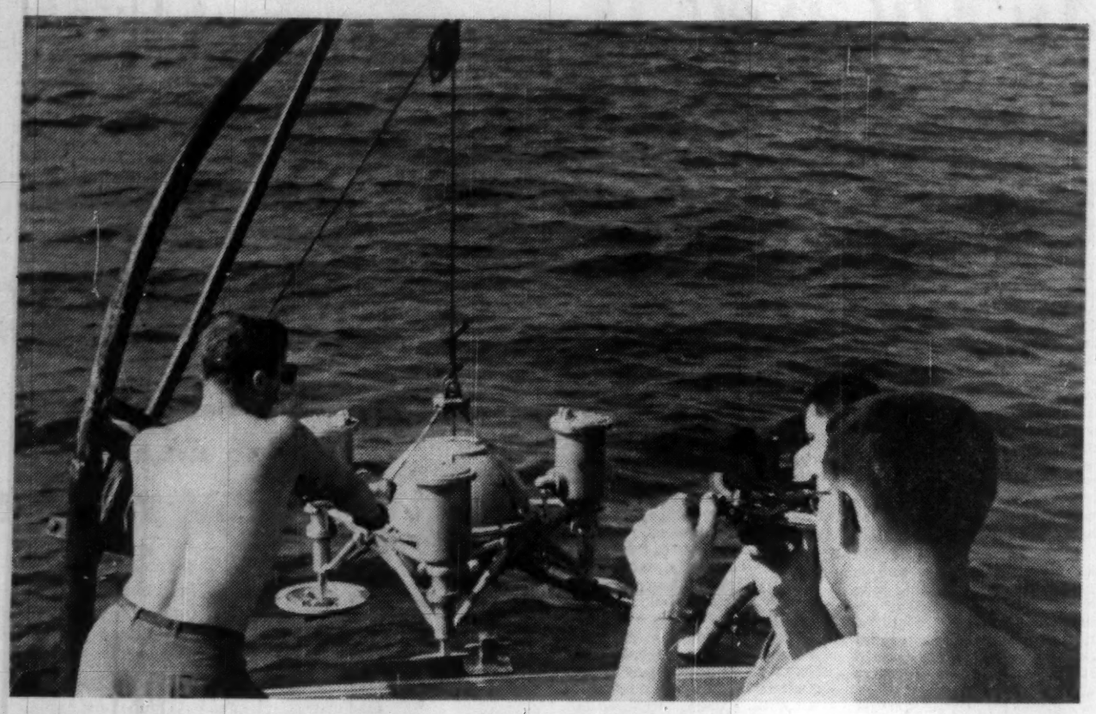
Midcon last year acquired from the Ontario Government licences of occupation covering 13,930 acres of potential gas lands under western Lake Erie.

The tract is bounded on the east by the holdings of Imperial and on the west by Consolidated West Pete.

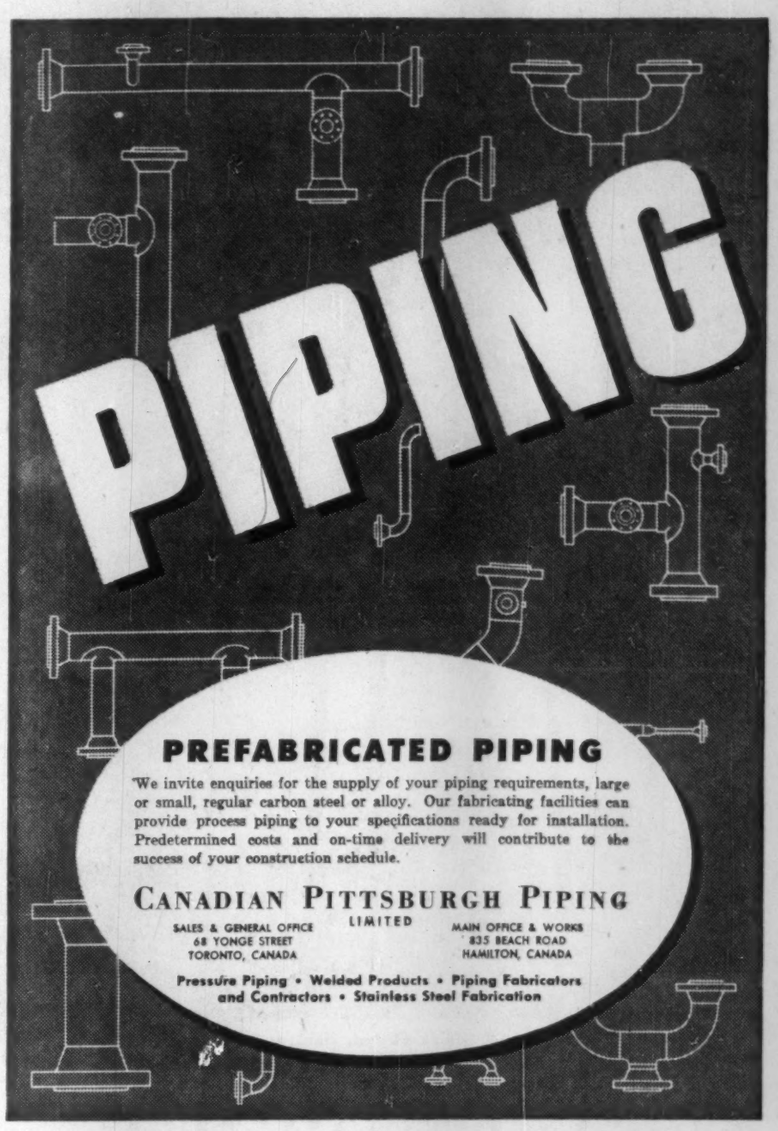
Midcon carried out a gravity-meter survey this year. A field operating company, **Aqua-Land Explorations Ltd.,** was formed by Midcon and its associates.

In addition to its Lake Erie holdings, Midcon has interests in several productive oil and gas wells in Alberta and in a natural gas pipeline there.

Midcon's working capital at March 31 this year was $156,056. Since then, it has received $660,000 through an underwriting and exercise of options on treasury shares. Production revenue for the year came to $50,489, a slight increase over the previous year.



UNDERWATER GRAVITY METER disappears into Lake Erie, in the search for oil and gas under the lake. This device determines the relative pull of gravity at various spots, which when mapped shows the irregularities of underground rock density. This, in turn, tells oilmen whether further search is worthwhile.



Westcoast Transmission Line Beats Schedule, 60% Finished

Construction on Canada's first major natural gas pipeline —the 650-mile, 30-in. line of **Westcoast Transmission Co.**— has exceeded expectations this year.

By early November the line was 60% completed and chances are seen excellent of completing some two thirds of the $153 million undertaking before work has to be suspended for this year.

Good weather and working conditions have speeded construction of the line this summer and fall and the four work "spreads" engaged on the project from starting point at Fort St. John in the north to the lower Fraser Valley area in the south were still working up to early November.

Despite the exceptionally rugged terrain which had to be coped with the fall 1957 completion target is seen easily attainable. Actually construction officials think there is a good chance of completing the pipeline job by early September of next year.

The system is expected to come into full operation by November 1 when Peace River gas will start flowing southward through B. C. and to a point on the international border where delivery will be made into the pipeline system of a big U. S. company — **Pacific Northwest Pipe Line Corp.** As of early November 408 miles of 30-in. diameter pipe had been welded and in place.

Approximately 80% of the gas to be piped southward from the Peace River fields will be sold to the big U. S. pipeline company — Pacific Northwest Pipe Line Corp. — for distribution in that company's Washington - Oregon market area. The remainder will go to two B. C. companies —**B. C. Electric Co.** (13%) and **Inland Natural Gas** (7%).

Big Contract

The big contract that made the building of the Westcoast line possible was the long-term sales contract made with Pacific Northwest.

Under this agreement Westcoast will sell from 290 million cu. ft. daily before Nov. 1, 1958 to a peak of 382 million cu. ft. per day by 1959-1960. But both this and the other two Canadian contracts contain clauses covering even greater deliveries in this period. Actually since these contracts were completed both B. C. Electric and Inland Natural Gas have requested increases in gas deliveries.

There is a strong likelihood that Pacific Northwest will also ask for more right from the start.

Some time ago starting capacity of the pipeline was given as 300 million cu. ft. daily with plans to boost this to 400 million rate during first year of operation. But because of the rapid growth in markets there is a possibility that Westcoast will install at least four pumping stations to start with giving the line an initial capacity of 400 million cu. ft. daily.

Apparently with an eye on the fast-developing West Coast markets company officials are holding up decision on capacity until last moment.

The line is so built that an additional four compressor stations may be added at a cost of $20 million giving a delivery capacity of 550 million cu. ft. daily.

A ninth compressor station and additional horsepower could raise throughput to a peak of 660 million cu. ft. daily at a further outlay of around $21 million.

Since Westcoast now becomes a major supply force in the whole U. S. Pacific Northwest energy market it will probably grow as this fast-developing area grows. Not only that there is a strong likelihood seen that more and more of Pacific Northwest's Corp's U. S. gas supplies from the four Corners area of New Mexico will be diverted to other market areas, particularly to the California market. This diverted gas would have to be replaced by stepped-up deliveries of Canadian gas **from the Peace River field..**

Gas reserves in the broad Peace River area have been placed at anywhere from 3.5 to five trillion cu. ft.

There is no doubt, however, that this picture has been expanded substantially as a result of this year's active drilling program in the area. Westcoast's gas purchase contracts with producers in the field give it control over reserves estimated at around 2.35 trillion cu. ft.

Since Westcoast Transmission Co.'s pipeline provides the only market outlet for this area all the gas found in the field has been dedicated to the pipeline market.

Gas purchase contracts with the producers commence generally with a field price of 6c per mcf and rises to 10c per mcf Jan. 1, 1958, and from there on to 12½c per mcf on a sliding scale, to the 18th, 19th and 20th year of the contracts.

This is a relatively low field price compared with other major gas pipeline purchases in U. S. and Canada and reflects the relative inaccessibility of the Peace River gas to any market other than B. C. and the Pacific Northwest.

Pacific Northwest Pipe Line Corp., on the other hand, will pay approximately 15c per mcf for some of its gas supplies from the Rocky Mountain fields, some 1,000 miles distant.

B. C. Electric's contract with Westcoast envisages a sharp growth in natural gas distribution in the Lower Mainland area over the next five to 10 years. As much as 50 million cu. ft. of gas daily may be drawn from Westcoast in several years time.

Gas Franchises

Inland Natural Gas has reached agreement for franchises to distribute natural gas in 24 incorporated communities and several small unincorporated communities along the proposed route of its pipeline in interior B. C.

The main line which will run from Savona, B. C., on the western shores of Kamloops Lake to Nelson, B.C., will be completed in fall of 1957. A total of 360 miles of pipe will be laid including laterals. The company proposes to spend some $22 million in all in pushing distribution facilities in the interior.

A construction contract of $9 million has been awarded to **Duttons - Williams Bros.,** Calgary, to build the major gas pipeline job. Surveys of most of the project are already complete, and the clearing and grading of the right-of-way started last month.

The work will continue throughout the winter in all areas that weather will permit. Completion date for project has been set at fall of next year. Orders for $6.5 million of pipe have been placed in Canada.

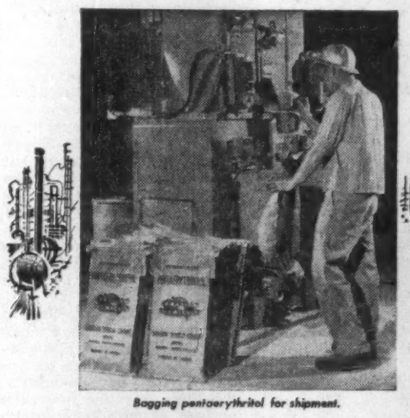
B. C. Electric Co. has prepared for a $20-million five-year program to distribute gas throughout the Lower Mainland area. Company officials expect gas sales to virtually double in the first four years of pipeline operation. Initially B. C. Electric's territory will receive gas from the Pacific Northwest Pipe Line Corp.

Activities were at a new high this summer and fall with some 18 drilling rigs in action. Gas and oil from northern B. C. and Alberta, possibly the Yukon and the Territories, will in time likely move down through B. C. Already Westcoast Transmission people are thinking of a second gas pipeline.

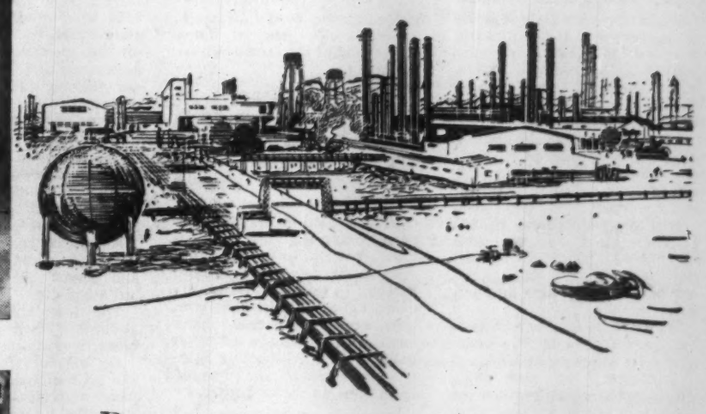
Already an $18 million gas processing plant is under construction at Taylor Flats, near Fort St. John. This plant which will come into operation next fall will extract butanes, propanes, natural gasolines from the Peace River gas.

A nearby $1.5 million sulphur recovery plant being built by Pacific Petroleums and a Canadian subsidiary of a well-known U. S. sulphur firm — Jefferson Lake Sulphur Co. — will recover an initial 300 tons of sulphur daily rising to 500-600 tons as pipeline reaches peak gas throughput rate.

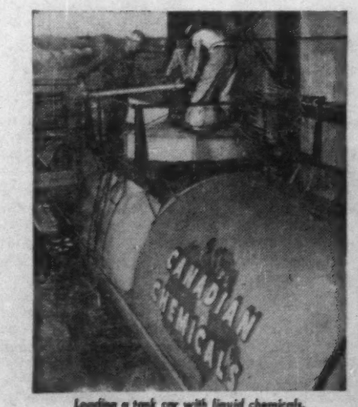
Unlocking Nature's Storehouse for Industry!



Bagging pentaerythritol for shipment.



Box-loading cellulose acetate flake.



Loading a tank car with liquid chemicals.

PROCESSING the hydrocarbons found in Alberta's generous bounty of petroleum resources to form industrially-useful organic chemicals — converting pulp from the trees of British Columbia's forests into cellulose acetate flake, yarn and staple fibre — these are ways in which the 200-acre Edmonton plant of Canadian Chemical Company, Limited is helping to develop nature's resources, creating new wealth for Canada.

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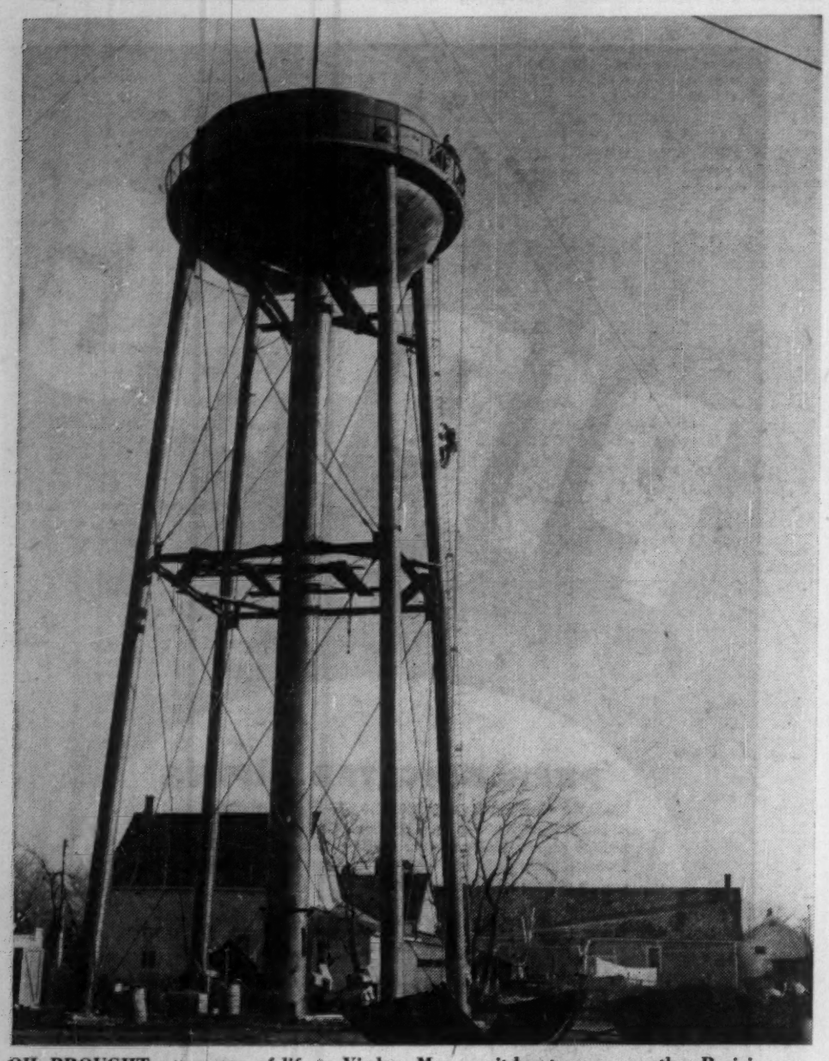

OIL BROUGHT a new way of life to Virden, Man., as it has to many another Prairie community. The new prosperity, for example, gave Virden a fresh water system fed from this water tower. Oil money has diversified the old agricultural economy.

Manitoba Oil Balance Near Self-Sufficient

Seven of every eight of the 20,000 bbl. needed to supply Manitoba's daily oil requirements were being produced within the province at end of October.

By the year's end Manitoba will be edging close to complete self-sufficiency in oil.

This has been one of the major developments of the industry which started six years ago with the first commercial recovery by **California Standard Co.** which spent millions getting a return.

Around this well within a short time there were others and these became the nucleus of the Daly field, the first designated one in the province.

For a long time Daly was the main producer. It is still a big one but its yield is running behind two younger fields, Virden-Roselea and North Virden, both alongside the town of Virden.

Virden town is in fact a miniature oil field on its own. Its 640-acre site has 16 producing wells, some of them free flowing.

Drilling regulations in the province allow only one well on each 40 acres. Virden didn't have a miss. The drillers got a producer every time they put up a derrick.

At least four records have been established by the province's oil industry in 1956.

Last April 12 new wells brought the total number of producers to 604, the first time they exceeded 600. At end of September there were 677 and by end of the year there will be more than 700.

In July cumulative production from the time the first recovery was made reached 10 million bbl. Up to July 31 the total yield was 10,296,878.

In July also for the first time monthly production exceeded half a million bbl. The yield was 502,908. It was 512,004 in August, 519,339 in September and while October figures are not available at time of writing they will probably be at least 530,000 bbl.

In September for the first time daily production topped 17,000 bbl. The exact figure was 17,311. Up to end of September total 1956 production was 4,265,606 bbl. With better than a million and a half bbl. certain the last three months of 1956, this year's production will be close to six million bbl.

More Wells

The whole year has been a story of more wells, more drilling, more oil, and more exploratory work with the difference that in 1956 everything has been on a bigger scale than ever before.

New wells nearly all of them in designated fields have been coming in at the rate of about one every two days.

There were 24 new producers brought in during September, nearly one per day. At mid-October, 15 drilling rigs were operating in the province.

There are signs that the oil potential area of the province is pretty well marked. There wasn't much evidence in 1956 that oil might be recovered in appreciable quantity outside the fields already known. Early in the year ten of the big companies joined in an arrangement for a wildcat drilling program.

The agreement called for drilling not fewer than 40 wells and not more than 60. Twelve have already been put down to levels of the supposed producing strata. There have been evidences of oil but no recoveries in commercial quantities.

Geographically Manitoba is on the fringe of what is regarded as the West's oil basin. Saskatchewan has a much larger part of the famed Williston basin.

Unless some Manitoba recoveries are made in places where the geologists and oil experts don't expect them it will never have the potential of either of its western neighbors.

In recent weeks attention has been detracted from Manitoba developments by quite substantial recoveries around Estevan in southeast Saskatchewan. The recoveries here in considerable quantity have been a light crude of good quality. The prospective Estevan fields are not far removed from the Manitoba border.

Potential of Manitoba's oil resources is hard to estimate. Most accurate available information is in a report of July 1954 by **J. C. Sproule and Associates**, geological and exploration consultants of Calgary.

It covered only the Daly-Virden fields which so far have accounted for more than 90% of Manitoba's oil yield.

In these fields, the report estimated proven recoverable resources at 19,633,992 bbl., semi-proven recoverable 9,105,560 and additional possible recoverable reserves of 25,021,360 bbl.

Total Yield

These figures gave a total proven, semi-proven, and possible recoverable yield of about 60 million bbl. By end of 1956 about 20% of this will have been taken.

Month by month the 1956 production has been progressively mounting:

	Production Bbls.	New Wells	Total Wells
January	434,521	17	564
February	429,537	15	581
March	493,857	16	592
April	422,300	12	604
	(Production down in April because of traffic load restrictions during spring break-up)		
May	463,735	6	610
June	475,578	11	616
July	508,908	19	625
August	512,004	20	635
September	519,339	24	677
October	530,000*	..	715*

*Estimated.

Development of the industry may be more concisely shown by figures of annual production. These are (in bbl.):

1951 (nine months)	11,000
1952	107,000
1953	656,000
1954	2,148,000
1955	4,150,000
1956 (est.)	6,000,000

Of the 140 new wells brought in during 1956 up to end of September nearly all have been in oil fields so far designated. One was given the status of a field this year, the Maples field, four and one half miles south of Virden.

The town of Virden around which the oil industry has developed next January will be celebrating the sixth anniversary of the first oil strike in the Daly field.

Next year also will be the 75th anniversary of its own start which was in 1882. Some of the nearby farmers have been drawing tens of thousands per year as their share of the oil production on their land but are characteristically unexcited about it.

The people of the town have to admit, however, that oil has brought a lot of changes.

Its population, now about 3,500 has doubled in five years.

Nearly 250 ranch style homes have been added to its tax rolls and about 30 new business buildings.

The town's business, apart altogether from oil, has increased sevenfold.

On the surface this appears all to the good but for the local municipal authorities it has added a lot of worries. The school population has increased which calls for new schools, more teachers, and more money to operate them.

Streets have to be better maintained and the cost of maintenance and repairs is high. There have been more demands of other local services.

The town's budget is about two and half times what it was five years ago. A thing viewed with great concern and some alarm by a thrifty council which wonders if present conditions will be permanent.

There is one compensation.

Virden's Growth

The town of Virden owned a sizable portion of the 640 acres of its townsite and is taking its share of royalties from the 16 producing oil wells which are adding better than $20,000 a year to its treasury.

What has happened in 1956 brings a note of thanks from the provincial treasury. So far the province has collected $871,290 from sale of oil rights, lease fees and rentals on Crown lands of which $156,229 has been received this year.

In addition to proceeds of these sales which the treasury now puts into capital account the province gets royalties of 12½% from the oil yield.

It imposes an additional tax on production which works out at about 3c bbl. on oil produced from freehold lands. The tax doesn't yield a large amount and this year will produce about $135,000.

How to Float An Oil Well

The oil industry is caught between the need to continually grow and a shortage of the necessary money to generate this growth.

Financing of expansion is a problem in any industry but is accentuated in the Canadian oil industry because of its relatively young existence.

Currently, the problem of financing is emphasized by a general tightness in the supply of capital in the economy. Other industries are clamoring for money to finance growth but monetary authorities have put on the brakes in an effort to prevent inflation.

And like any other industry, the problem of raising money increases as the size and importance of the company decreases. The bigger the company and the more experienced the management, the better the credit rating.

In the early days of development after the Leduc find in 1947, many small companies were able to finance their activities through continual transfusions of fresh capital. So long as stock prices were rising, investors and speculators appeared to have a continual appetite for new stock issues.

But with the slump in oil stock prices, this avenue of funds disappeared to a major extent. The result was that many small companies folded. Mergers became a pattern in an effort to overcome a lack of money by pooling resources.

Illustrating what has happened in the industry is a comment by one oil industry authority that three years ago some 230 companies had their head offices in Edmonton and were busy in oil exploration and development. Today, he estimates that there are only about 25 of these companies left.

Finding the Money

But even ignoring this long-run problem of exploration that has continually favored size in oil companies, there is the particular problem facing Canadian independents of finding money to develop proven ground.

The big companies, comparatively speaking, do not encounter such a problem to any great size. It is the smaller independent—the relative newcomer—who is forced to work from hand to mouth to drill wells where he knows there is oil.

S. P. King, vice-president and general manager of **Merrill Petroleums**, told San Francisco security analysts that:

"The oil industry in general and the independents in particular are currently faced with one difficult problem—how to finance their expansion.

"And by expansion I mean just the development of existing reserves; not the necessary search for new sources of oil and gas," he emphasized.

Factors in this problem are:

—Tightness of money in Canada and the U.S. Money possibly could be raised, but at a price that might make spending it on developing reserves uneconomic.

—The continually increasing cost of finding oil. More feet of drill hole must be put down to find the same amount of oil.

—Shut-in reserves. Western Canadian oil fields are producing at less than their size warrants. Larger markets are required for best efficiency. Existing pro-ration limits the amount of cash coming into company treasuries from sale of oil.

—Yet, an oil company cannot afford to stop finding increasing reserves. It cannot stop such development temporarily until it builds up a cash backlog. Oil is a depleting resource and must be replaced continuously. Over-all, authorities estimate that oil is being found at a faster rate than it is being sold.

—One of the charges of the independents is that this greater increase in reserves in relation to sales is fostered by the international giants of the industry. Markets are closed to western wells because there is a tendency to treat them as standby sources of oil in the event of such troubles as Suez and the Middle East.

Mergers and Farmouts

But oil exploration and development must go on. And the industry must keep in mind the possibility that security market might improve and public financing could be undertaken.

For the smaller independents, the pattern of financing has been one of mergers and farmouts. Land-rich, but cash-poor companies find various ways to work their ground.

Farmouts are, in a sense, a method of financing. For, without putting up any money, a small firm can arrange to have its ground drilled and still share in any production that might be found.

Because of poor stock markets, companies have been merging on a relative asset basis. Two firms with little cash get together to pool their cash and other assets on the basis of the value of the assets. There have been cases where as many as 30 small firms have been absorbed or pooled their efforts in one firm.

And every day there is talk in financial circles of further mergers being contemplated. Obviously, one of the big benefits of a merger is reduction in overhead.

Oil in the ground has a good standing as security against borrowing or in attracting additional capital. Companies will attempt to buy out firms with substantial reserves in an effort to improve their financial standing. And they often can arrange such purchases through sale of debt securities to the public which is willing to accept oil in the ground as security.

This acquisition of proven ground is also helped by banks who will lend money against production. Many of the smaller firms have been able to acquire and develop ground in such fields as Pembina by loans from banks.

But such acquisitions of reserves are also governed by hard dollars-and-cents facts. Cost of acquisition of such oil must be economic in relation to cost of getting oil by drilling.

Secondary recovery methods to get more oil out of proven fields is also becoming an important way of cutting down on expenses, yet, in effect increasing oil reserves.

Diversification is also a method used by independents to increase the flow of incoming cash.

With oil production limited by available markets and cash from this source insufficient for continual growth, many larger independents have established drilling subsidiaries which contract to drill wells for other firms. This can be a useful method of boosting the cash flow.

And there are many companies operating in Western Canada which are subsidiaries of giant, integrated firms. These companies obtain their cash from parent firms.

Canadian banking system plays an important role in financing oil industry growth. With the public apparently reluctant to provide fresh capital (certainly asking a higher price for money it might lend), many smaller oil firms are depending heavily on the banks.

And the banks maintain special oil and gas departments in the West that understand the problems and needs of the industry.

The Royal Bank, in a recent explanation of the bank's role in financing oil industry activities, outlined these possibilities:

Companies actively drilling for oil or gas can obtain production loans which anticipate future proceeds from sale of output. Provided there are developed and producing properties with sufficient reserves to adequately secure the obligation, it is possible for a company with limited cash resources to borrow against its future production in order to provide ready funds for its current development program.

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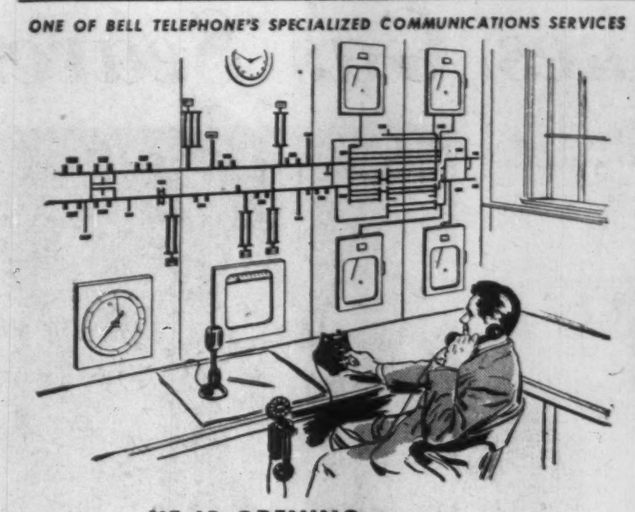

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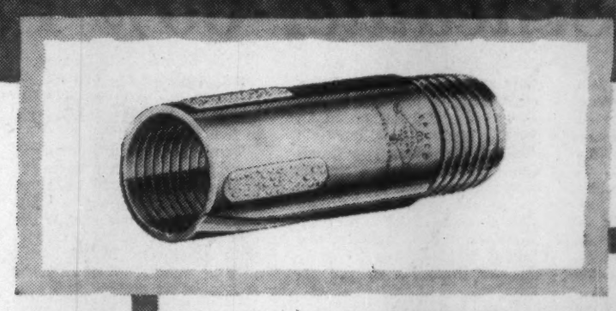
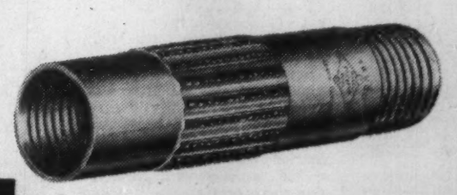


Truco shell strips, generally four or six in number, are accurately set in standard shell blanks. These shell strips are 1½" long and contain 1½ carats of the finest selected drill bortz in each strip. Other sizes and weights available on special order.



The Truco swirl type shell gives outstanding performance when working in mud or sticky and soft formations where normal shell would tend to bind. Known footages bear out up to 10,000 feet of reaming.

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TRUCO Diamond Drilling Products are available in all standard sizes. The complete line of TRUCO drill bits includes *coring—blasting—pilot* and *casing bits.* Of particular interest to users of TRUCO products are the unique facilities of the Wheel Trueing Tool Company of Canada, Limited, for rendering fast resetting service and for providing special bits and other diamond drilling products to meet the problems that arise when unusual formations are encountered.

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ELECTRONICS DOES many amazing jobs for oilmen. This oil field reservoir analyser at Calgary absorbs information about the oil fields, and within a few hours "tells" oilmen about the fields' future behavior. On paper, the calculations would take years.

Electron Brains Solve Oil's Data Mysteries

A powerful, profitable tool is coming into use in Canada's oil industry today. It's the electronic, digital computer.

Canadian business and industry has yet to feel the full impact of this new aid to modern management. The snowball growth has hardly started, but within ten years, predict the experts, computation techniques will be as familiar as a balance sheet to every man in management.

There is nothing magical about the computer. It does nothing that can't be done with paper, pencil and some patience. But in this simplified description, patience is the key word. The computer's great achievement is that it provides within minutes an answer that would otherwise have taken so long to obtain that no one would have tried.

The computer has permitted management to ask a whole series of questions that previously could never have been considered. Facts and figures that management should have at its fingertips, can now be furnished at the exact moment for decision-making.

This is especially true in oil refining, where many people are convinced electronic computing methods are destined to become management's most potent tool.

In Canada, **British American Oil, in co-operation** with the Toronto firm of computer consultants, **KCS Data Control Ltd.**, has been using a computer to discover the best combination of crudes, plant time, and storage capacity in the company's refineries.

Many different combinations have been taken into account and from these the computer in each case has picked the most efficient.

Imperial Oil has been borrowing time on the computer at the University of Toronto to plan the operation of a warehouse. In this way, a multi-million dollar operation has been projected by the Marketing Research division at the cost of only a few thousand dollars.

Giant Memory

In this operation, an inventory of some 1,300 items was stored in the computer's memory. Day-by-day details of orders were fed in to represent the activities of a three-month period. The computer swiftly and automatically indicated when stocks should be reordered, when they had been exhausted and when they had been replenished.

Shell Oil Co. of Canada is now moving rapidly toward the use of a slow and medium speed electronic computing equipment in refining and treasury applications. The company established a committee some time ago to study such equipment and recommend uses.

As a result of the committee report, Shell of Canada's first electronic computers will be installed in company refineries at Montreal East and Vancouver by early 1957. Training of refinery and treasury staff to operate the equipment has already begun.

The company is also considering at a later date the installation of medium-speed computers. Shell expects its electronic computers to play a vital part in the development of improved methods of refinery operation.

The equipment will also greatly simplify the preparation of numerous routine refinery reports, such as daily yield statements, daily tank gauge reports, payrolls and related records, material and labor distribution, and process unit correlations.

In the U.S., computers are being used for still further applications by leading oil refineries. Tasks being performed include matrix manipulation, linear programming, large-scale compressor testing and Fourier analysis.

Higher Output

It is not surprising that at a recent meeting in Montreal of the refining division of the American Petroleum Institute, one speaker declared that because of computation techniques, the industry "may well be on the threshold of a real breakthrough to new high levels of productivity and effectiveness."

The pressure exerted for even greater quality of petroleum products, the need for higher octanes to match the horsepower race of the automobile makers, is making refinery processes ever more complex.

In the oil business it has been found that by far the greatest costs arise from capital investment and expenditure on raw materials.

Sums up Dr. Josef Kates, head of KCS Data Control and president of Toronto's growing **Operations Research Society:**

"With conditions changing constantly, there is now an overwhelming number of variables to be taken into account when distributing further capital investment or attempting to make best use of existing plant. The number has grown to a size at which only the computer is capable of providing the right answer."

Sums up W. J. McGuire, Operations Control Administrator of BA Oil's manufacturing division:

"The postwar expansion of our company has made increasingly complex the planning and control decisions, both on a day-to-day and on a long-range basis. The manufacturing department, particularly, was anxious to speed up such decisions and, also, to devise a more accurate and reproducible method for evaluating the many factors bearing on a decision."

Operations Control Department under W. J. McGuire, is headed by Operations Research specialist E. E. Sorensen and consists of a team of chemical engineers and specialists.

Its duty, formally stated, is "to apply scientific method and analyses to problems within the manufacturing department and solve each in the manner most effective to the company's over-all operation."

Research Group

This is the group that has been working for the past few months with KCS Data Control. The KCS team, headed by Dr. Kates, included such members as Professor C. C. Gotlieb, chief computer of the University of Toronto's Computation Centre, Dr. J. H. Chung and Dr. B. A. Griffith.

One of BA Oil's most complex problems has been to determine a blending schedule that would make the most efficient use of some 20 different stocks required for their two grades of gasoline produced in both the Montreal and Toronto refineries.

The blending is carried out by adding lead and other additives to stocks that have been distilled, catalyst cracked, polymerized or re-formed.

The blending schedule has to make the most efficient use of these various ways of producing gasoline. At the same time it has to attain exacting standards of quality and be in the forefront in octane value and road performance.

For efficient operation of the refineries, the schedule has to take into account such alternatives as:

—What stocks should be sent from one refining area to the other?

—What transport costs are involved?

— How much inventory should be carried over from year to year?

—In what periods should inventory be built up for future use?

—What emphasis should be placed on fuel oil production?

Rule Of Thumb

Formerly in oil refineries many of these questions were solved with methods that in comparison with modern ways can only be described as "rule of thumb."

This does not mean that the traditional lines on which the chemical engineer used to operate were unduly wasteful. On the contrary, the margin of error of an experienced engineer was probably little more than 2%.

But the computer, in producing results that are mathematically optimum and that have taken into account a range of possibilities too vast for the human brain to handle, is sweeping away many of the treasured concepts and long-established maxims on which the experienced man relied for guidance.

This section, part of the

Oil Hunters Rush Southeast Saskatchewan

Southeast Saskatchewan has topped the exploratory record of any other part of Western Canada over the past two years. Out of 80 wildcats drilled in a concentrated area stretching from the Manitoba border westward to Weyburn in the first nine months of this year there was a remarkable record of 22 successes. Approximately 40% of all the drilling rigs operating in Western Canada were situated in this bulging area in October.

To market the rapidly increasing oil reserves a major feeder pipeline—the Westspur oil pipeline—was completed and put into operation this spring. The 109-mile line stretches from Midale sweeping through the southeast in a rough arc through the Kingsford, Steelman and Frobisher fields then swinging northeast to pick up oil in the Alida, and by a short spur production from the Nottingham, fields. The line joins up with the Interprovincial oil pipeline at Cromer in Manitoba.

Another company — Trans Prairie Pipe Lines— will gather in production from the promising Weyburn and Halbrite fields.

Nowhere is the exciting oil boom more dramatically pointed up than in the town of Estevan, right in the heart of the oil play. At shift-changing time there is a steady stream of traffic heading out into all the fields from Lampman, Kingsford and Steelman east to the recent Gainsborough, Oxbow, Carnduff, Florence and other locations.

Oil executives and geologists are forced to commute back and forth by air from Calgary, Edmonton and Regina because of lack of housing accommodation in the crowded Estevan area. Right now some 18 company airplanes are making regular weekly trips to Estevan.

At Carnduff, a new field south of the Alida and Nottingham areas, there are reported to be 71 trailers and 23 skid shacks housing oil workers. They are probably overflow from Estevan.

The other day Saskatchewan's Minister of Mineral Resources, Hon. J. H. Brockelbank predicted that the province's oil production this year will reach a new peak of at least 17.5 million bbls., valued at about $28.6 million. This represents a boost in oil output over last year of 66%.

Bursting at Seams

All this activity has had some amazing local effects. The town of Estevan, for example, is going through a boom that is unprecedented in this province, even at Swift Current during the Fosterton-Success-Cantuar development. The other day a "roughneck" said that he had been through the Dawson Creek boom in Alberta when the Alaska highway was being built but he had never seen anything like the Estevan boom in his life.

The town is bursting at the seams. It is short of housing, sewer and water facilities, office space, school accommodation and other needs resulting from a sudden jump in population from less than 4,000 to probably more than 7,000. Nobody knows what the population is. Rents have risen fantastically and it is estimated that about 1,000 people are living in trailers and motels. The top floor of the ancient town hall has been leased by **Imperial Oil. Sun Oil** company has hastily built a cement block building at the east end of the town. There are three trailer camps in the town and one at the airport about three miles south.

Historic Markers

Saskatchewan's oil story could reasonably be divided into two periods—before and after the Frobisher light oil discovery in March, 1954. Some might argue that it should be divided into periods before and after the Smiley light oil find in April, 1953. A few might maintain that the historic marker was the Fosterton medium-gravity oil find at the end of 1951.

Current developments suggest, however, that the big story of oil in this province started with Frobisher and that future oil historians will deal with it that way.

It may surprise many to know that the search for oil in Saskatchewan goes back to 1875 when an oil well was drilled near Fort Pelly and abandoned at a depth of 501 feet.

The CPR drilled a well to a depth of 1,551 feet at Belle Plaine, between Regina and Moose Jaw in the year 1886, abandoning it at that depth. Between then and 1923 another 23 wells were drilled, all abandoned as dry holes.

It was not until 1944 that oil production was obtained in significant quantity. That was in November, when the first heavy-gravity oil was produced from a well on the Saskatchewan portion of the Lloydminster field which straddles the Alberta border.

This was a heavy, viscous, asphaltic oil, 13 deg. API, which at that time had little market anywhere and substantially none in the refining industry. The field was developed, however, in anticipation of a market which was later developed.

Present major oil boom started in 1949 when powerful American groups of companies entered the province. By the end of 1950 a great deal of preliminary geophysical work was completed. This was followed by more costly and detailed seismic surveys, core drilling and actual exploratory well drilling.

In the spring of 1950 heavy crude oil was found in the Kerrobert area near Heart's Hill. One year later heavy crude was found at Eatonia. This was followed by a show of light oil and a natural gas find at Brock, a promising show of light and medium oil at Dahinda, a heavy crude and natural gas find at Coleville and a natural gas find at Dodsland. The year 1951 closed with a major heavy crude field developing at Coleville. In the meanwhile further exploration and development was proceeding in the Lloydminster area.

First Big One

The year ended with an important discovery that gave sudden new interest to the Saskatchewan oil picture. That was the bringing into production of the **Socony** Western Prairie Roseray No. 1 well near Fosterton and about 30 miles northwest of Swift Current. The well came in on Dec. 30, 1951, but it was not completed as a producer until Jan. 3, 1952.

It was a substantial producer of medium-gravity (24 deg. API) oil, the first in the Province.

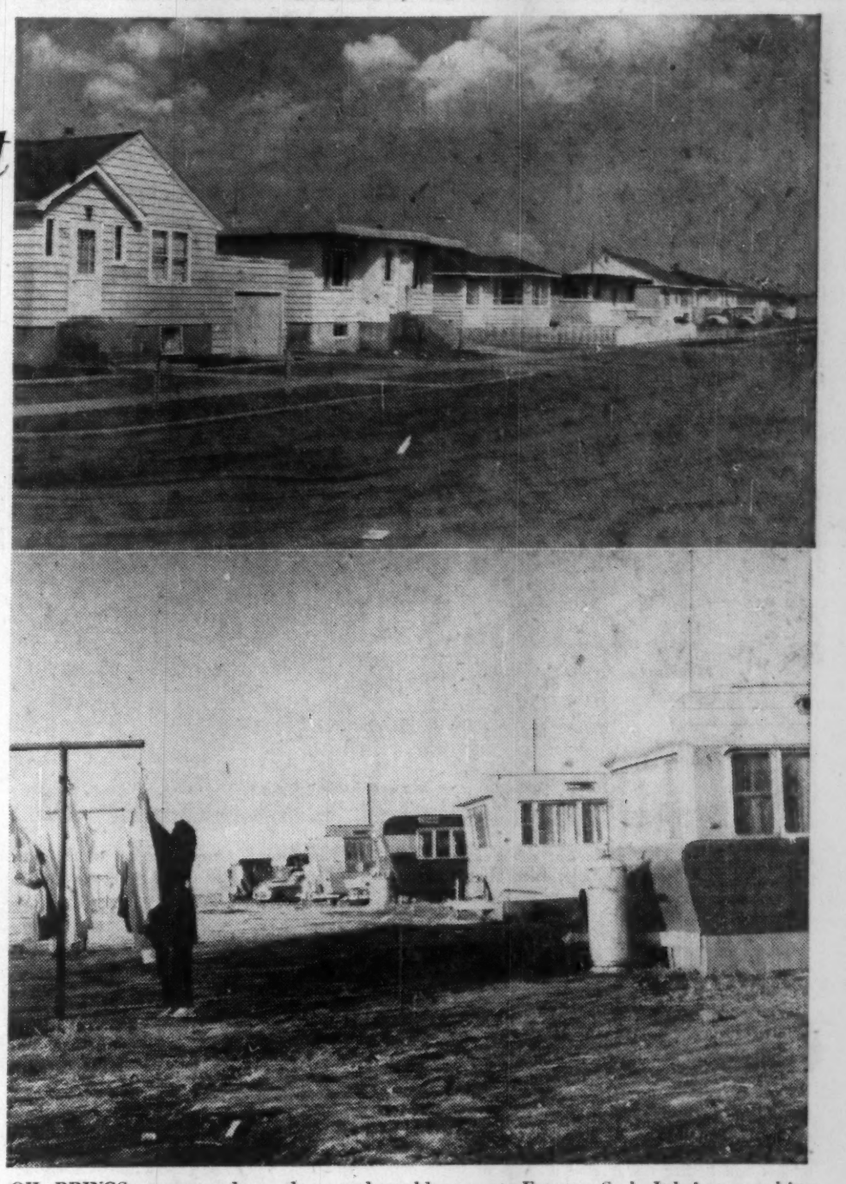
Pipeline Wanted

It became apparent in 1954 that a pipeline would be needed in the southeast to market its growing oil production. In the meanwhile oil was being moved from the fields by tank truck and out of them by tank car to refining areas.

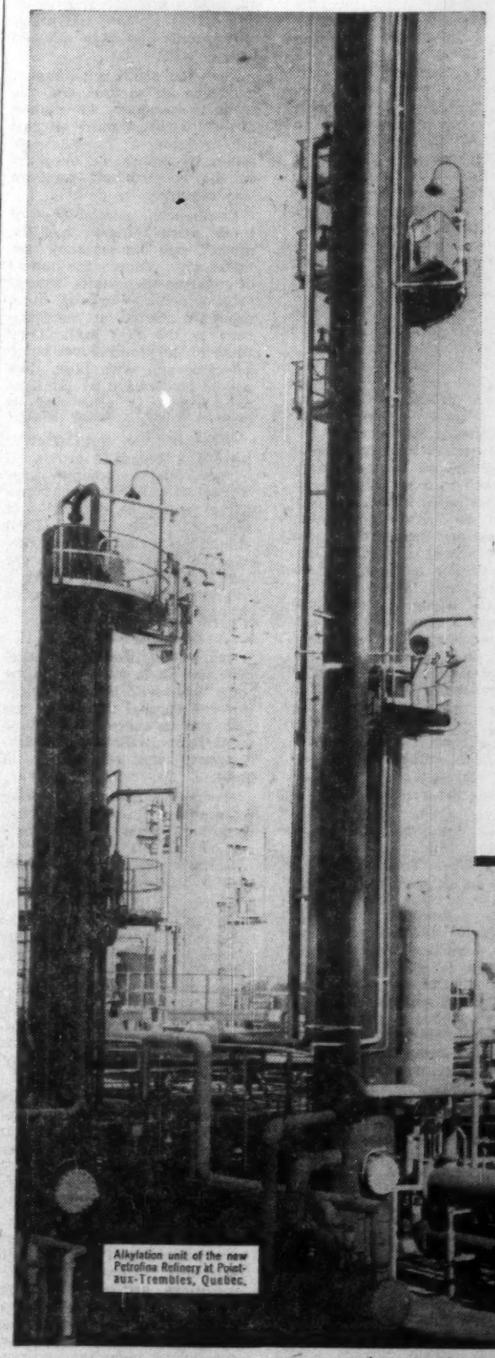
Since the market would best be reached by a pipeline crossing the Manitoba border to connect up with the Interprovincial line at Cromer, Man., a permit would have to be obtained from the federal board of transport commissioners to build it. Four companies originally applied, but one dropped out. The permit was finally given to **Westspur Pipe Lines, Ltd.**, a partnership of the 16 operating companies in the southeast.

In October, **Trans Prairie Pipe Lines, Ltd.**, was granted a permit by the Saskatchewan government to build a line and gathering systems to service the Weyburn, and Halbrite areas.

The industry has a long way to go before it will start rivaling agriculture, but it has at least reached a point where it can be considered as a major primary producer. Already it is an important source of revenue to the Saskatchewan government and its economic effects are being felt by every man, woman and child in what used to be known as a "wheat economy."



OIL BRINGS money and people — and problems — to Estevan, Sask. It brings spanking new homes, like those (top) in Estevan's west end. It also brings the worries of sprawling trailer camps in bitter cold winters, of finding school desks for children.



Alkylation unit of the new Petrofina Refinery at Pointe-aux-Trembles, Quebec.

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A quick way to higher octane ratings at lowest operating and investment costs is sulphuric acid alkylation—utilizing Kellogg's unique reactor and auto-refrigeration.

An example of what Kellogg alkylation can do in attaining premium results working with various blending components is illustrated in a recent study of a 25,000 BPSD refinery. In this case, alkylation of total C_3 and C_4 olefins resulted in the production of 15 volume percent on crude of high octane alkylate. The pay out on the incremental investment for the alkylation unit was less than a year.

The Canadian Kellogg Company Limited offers Canadian oil refiners the engineering experience and process background of the M. W. Kellogg Company, which includes engineering over 40 alkylation units. Alkylation will be a major factor in the octane race. Canadian refiners are invited to discuss alkylation with the Kellogg organization.

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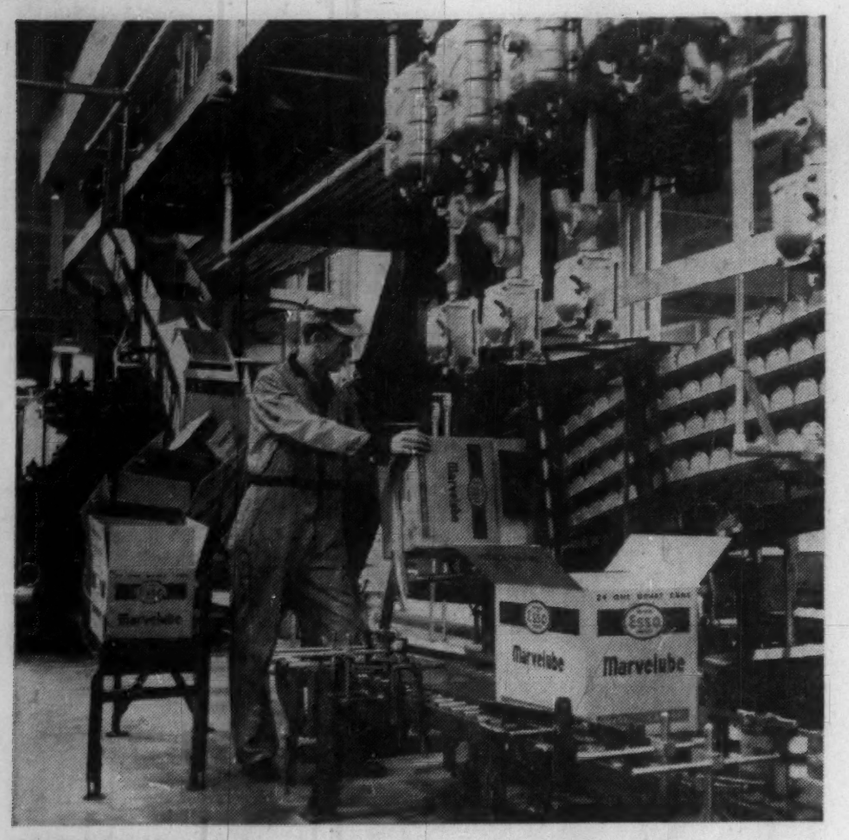

LUBRICATING OIL rolls out of Western Canada's first plant. One machine at the Imperial Oil Edmonton plant, like that above, can fill and seal 400 quart cans a minute.

Alberta's Oil Potential Can Meet All Demands

Higher investment, greater exploration and drilling activity, increased production potential and higher dollar revenue.

These and others continue to hold the spotlight on Alberta's oil boom.

By the end of this year Alberta will have 7,500 oil wells capable of producing an average of 400,000 bbls. daily, and a peak potential of 730,000 bbls., more than Canada's requirement.

In other words Alberta has sufficient crude potential to supply the nation's consumers as well as to compete on the export market.

Of an estimated 1,700 wells drilled in 1956, 1,200 of them are oil wells. Total footage is estimated at 9.5 compared to 8.4 million ft. in 1955.

It is estimated the cumulative oil production total for the year will amount to 143 million bbls., 25% higher than during 1955. This represents a gross revenue of approximately $360 million compared with $276 million in 1955.

Oil and gas resources netted the province $62.9 million during the first six-month period of the fiscal year ended in September.

The total includes $16 million in royalties compared with $11 million for the same period last year.

Activity High

Exploration and drilling activity this year reached a new high during the summer months with oil companies spending at the rate $1.5 million daily.

Drilling crews are cashing in too. Besides striking "black-gold" with prolific regularity in the Pembina oil field, they've cracked "new" fields. This year such areas as Harmattan-Elkton, Homeglen Rimbey, Sturgeon Lake South, Sundre, and Wainwright were added to the oil producers, and are averaging 3,000 bbls. daily.

The Canadian Petroleum Association says that on the basis of exploratory methods, one wildcat (a well drilled on a previously unproven area) out of every 40 is a commercial producer.

A provincial government report says that though a number of new oil discoveries have been indicated this year, none has assumed major status. One discovery at Red Earth, 200 miles north of Edmonton, was of unusual interest, due to the fact that it occurred in an entirely new area.

This discovery well was approximately 80 miles east of the town of Peace River.

Seekers Get Rights

As a result of this discovery, more than 10 million acres were acquired by oil seekers under reservation rights. It is anticipated that this winter the bulk of the exploration activity will be concentrated in the far north of the province.

While the number of active geophysical parties may not be as great as previously, expenditures may reach higher levels, due to the difficulties of supply and operation. A vigorous exploration drilling program in the north is anticipated when the surface is frozen to sufficient depth to permit the movement of heavy equipment.

Among the points where oil discoveries were reported are Crossfield, High River and Keystone. As these were single wells, there is nothing yet to justify interest in new field possibilities.

This year approximately 67% of the province's production was consumed in Canada with Ontario, British Columbia and the Prairie Provinces supplying the domestic markets. Total export is estimated at 38 million bbls., principally to the U. S. Pacific Northwest and the Minneapolis-St. Paul area.

Another Milestone

Another milestone was chalked up for Alberta when Japan imported in excess of 230,000 bbls. of crude this year, thus opening a promising market outlet.

Taking into account production of existing fields and development of new producers, expansion of eastern Canadian and foreign markets are needed to close the gap between the rising potential production and the actual requirements of the prairie market.

This year the **Interprovincial** line from Edmonton to Lake Superior has augmented its capacity and is geared to carry 200,000 bbls. daily. Extensions from Sarnia to Toronto will increase Ontario's consumption of Alberta's crude.

The 739-mile **Trans Mountain** pipeline channels 145,000-155,000 bbls. daily to refineries in B. C. and Washington State and California. With more pumping stations, its capacity can be jacked up to 300,000 bbls. a day. Additional looping would raise it to 500,000 bbls. a day.

Throughout Alberta more than 200 miles of trunk and gathering systems have been completed or are undergoing completion this year.

B.-A. has completed two lines in the Sturgeon Lake field and the Edmonton area; **Texaco's Rangeland** extension in the Rimbey field near Stettler, and **Home Oil's** Cremona line running from the Westward-Ho field: these gathering systems feed Alberta refineries as well as the main channeling systems.

Alberta oil reserves are estimated at 2.5 billion bbls. In addition there are an estimated 100-300 billion bbls. of oil in the Athabasca area that can be exploited if economically feasible.

Molasses Sands

This area's formation contains molasses like sands containing an aggregate of fine quartz particles covered by a sticky bitumen.

The big problem is to extract the oil from these sands, transport it to refineries, refine it, and still gain a profit on the market. Incidentally, experts say the oil from this area has great asphalt holding properties.

It is understood that of the 10 or more companies interested in the area, **Royalite** and **Can-Amera** have the inside track on the recovery process.

Testing at Can-Amera's Bitumount plant in the area is said to have yielded excellent results. G. R. Coulson director and chief engineer of Can-Amera last year invented a process which bears his name, and has had some success with it.

The Coulson process is something along the line of a cream separator which breaks down the extracted oil from the sands. During the past few months rigid tests indicate that a 25,000 bbl. daily minimum production can be maintained.

Nevertheless it is still a question of economics and costs must be scaled still more before production is feasible.

Meanwhile investment continues to pour into exploration and drilling activity and the pattern continues to be: the bigger the companies, the greater the investments in development, and, of course, the greater potential for profit.

During the last two years the odds of small independent oil companies staying in operation has increased. Financing, lack of know-how are two contributing factors.

Alert Investment

Another factor is that the share-buyer has learned to be more alert before sinking his money into new found ventures. Small time boiler room operators who peddle worthless shares also cause damage to new companies that are sincere in its promotions.

Last summer in Calgary an expose and subsequent "expulsion" of several well-heeled operators helped clean up the stigma that affected these smaller companies. The result in publicity, however, made the public more wary in purchasing new "company" shares.

In general if a new oil company can last two years of operation it has a better chance of survival. If it can pay lease rentals, acquire new leases and push exploration and drilling, it could increase its chances.

Sometimes the leases are promising and finances may be drained on exploration ventures. The company is then left hanging on the ropes.

It effects a merger with an established oil firm and/or is absorbed in a straight sale.

Subsidiaries of big companies fare well. Small independent companies either sprout ahead, marry (merge) or die. There doesn't seem to be any definite trend except that competition is stiffer. During a six month period of this year, 36 new companies were formed, 7 firms effected mergers and 27 pulled out.

Meanwhile, oilmen are bubbling with confidence. They point to increased production in Alberta, Saskatchewan, Manitoba, and even B. C.

Export Emphasis

They point out that one of the outstanding developments of the year has been the increased emphasis on exports. The U. S. Pacific Northwest and the Minneapolis-St. Paul area have raised their demand quota. Another significant highlight has been Canada's first overseas shipment of crude to Japan.

In Alberta the most significant development in the past year has been the revelation that oil potential can meet Canada's demand.

"If transportation facilities were made available as far as Montreal, we have enough crude potential to fill the demand," said one oil official.

"This can save Canada about a billion and a half dollars paid out to foreign countries for oil."

"Minor field price adjustments could make it economically possible," he said.

Another outstanding development is the high level production in the Pembina oil field; New finds in the Peace River region, Stettler, High River, and others have opened new avenues for drilling activity.

Laying Big Pipelines Costs $150,000 a Mile

The actual laying of a major cross-country pipeline is probably the fastest-moving, fastest-spending and most highly organized job in construction.

It's estimated that an average 100-mile cross-country stretch of 30-in.-diam. pipeline can be constructed at the rate of a mile a day. But each mile involves a total installed cost of between $100,000 and $150,000. To equal that rate of expenditure, a million-dollar housing development would have to be built in from seven to 10 days.

Because most pipeline jobs operate on a very tight schedule in a short construction season, engineering location and survey, material delivery, right-of-way procurement and contractors' progress are geared to each other within days or even hours. Delay in any one can mean thousands of dollars in extra cost to the owner.

Small wonder the pipeline contractors regard the logistics of their work as without par in any construction field, and the planning of a project as the salient point in the job. It starts with preliminary design and estimate of cost and goes through selection of route, financing, titles, engineering, building up a field team of chosen ability and many other stages whether the commodity to be transported is crude oil, natural gas, petroleum products or something else.

How It Starts

How does it all start? It begins with a decision on the throughput and the characteristics of the commodity to be piped. From this, operating pressure, pipe diameter and wall thickness of the pipe are calculated.

Then comes a provisional plan of the route based on studies of existing maps, and on aerial reconnaissance and personal investigation by whatever mode of travel is most feasible.

Tentative location and sizing of pumping or compressor stations is settled from the profile of the line, with substantial changes in elevation circumvented wherever it is economic to do so. A study of soil conditions and terrain, covering rock, muskeg or swamp, has been made. Rights-of-way and the cost of crossing under highways, railroads or streams plus other possible payments have been evaluated. The cost of engineering and inspection, duty and sales tax, and many other items has been allowed for.

Then the problem of financing must be tackled and the engineer proceeds to expand a definitive estimate of cost into a table of capital costs either by months or by years as the construction program may require.

Frequently, availability of funds doesn't mean that the project can immediately get under way. There's the matter of government permits, federal or provincial. Work on these probably started at the same time as the first preliminary route of the pipeline was being selected, and with luck, they should be forward by the time construction is scheduled to start.

Whether the authorization needed is federal or provincial — according to whether provincial and international boundaries are to be crossed — it comes in two stages. First comes the permit for construction to start and, when the job is complete and tested, a second permit must be secured to put it into operation.

Choosing The Team

But the big thing in any pipeline project is the team — the men who will be responsible for the various aspects of the job, and no successful pipeline contractor will ever underestimate the importance of that.

It starts with a co-ordinating committee whose four or five members cover all the main aspects of the project. It is usually a policy-making group which sets the ground rules.

From it, the project manager gets his guidance, and he is the individual who usually heads up the active side of the organization. There are four departments normally:

Construction: Responsible for contracts, construction, inspection and clean-up, testing and authorization of progress payments.

Engineering: Looks after line location, field engineering and survey, office engineering and mapping, design and requisition of materials, estimating and cost engineering, progress reporting, inventory survey and as-built drawings.

Lands: Among its functions are permits and licenses, title searching, right-of-way acquisitions, settlement of damages, acquiring leases from individual property owners, etc.

Administrative: Looks after accounting including payment of funds, purchasing, expediting and receiving materials, insurance, equipment, transportation, communications, etc.

In a recent talk on pipeline planning, one of leading figures in Canada's current pipeline construction program — Clark Root of **Canadian Bechtel Ltd.** — emphasized that one of the most important items of a project was field inspection of construction to assure performance to specifications. He said:

"All operations of the pipeline spread are important, but welding is, of course, one of the most critical and closely supervised operations. Cold weather may require pre-heating to permit satisfactory welds. The proper sequence of welding is important to prevent cracking or flaws. Throughout the entire line-up and welding operation, a close quality control must be maintained, not only by visual inspection but by photographing a percentage of the welds by radiography."

Other construction operations such as external cleaning of the pipe, the application of coat and wrap materials, the lowering of the pipe into the finished ditch need careful supervision by the inspectors.

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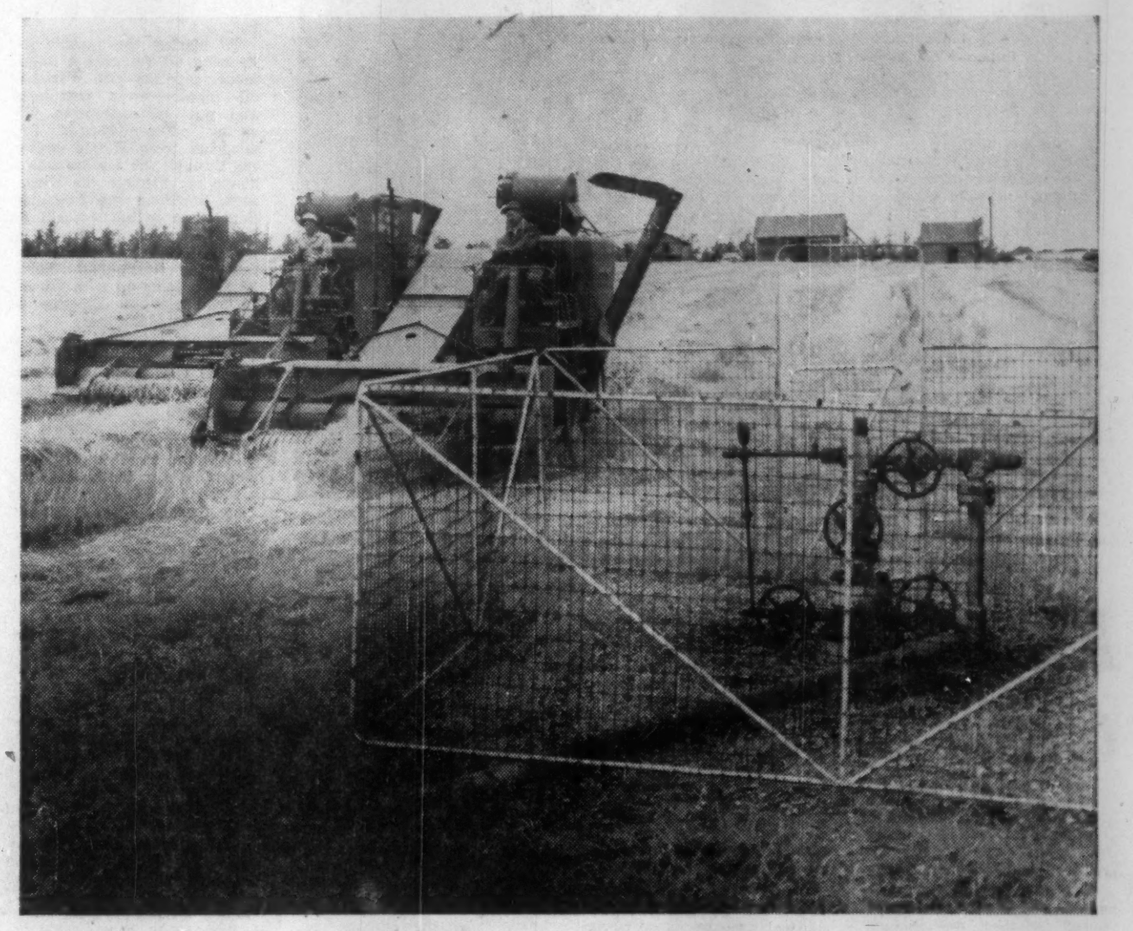

OIL AND AGRICULTURE can live happily side by side in Western Canada. Once the drilling rigs and crews have departed, only this small fenced-in "Christmas tree" is left in the farmer's field.

Keeping Pace With Canada's Progress

PRODUCTION

Canadian Oil Companies, Limited have extensive rights and operating wells in Western Canada, obtained through the acquisition of the Anglo-Canadian Oil Co.

MANUFACTURING

Canadian Oil's ultra-modern refinery at Sarnia, Ontario is currently expanding facilities for increased production of White Rose Gasoline. New facilities to be built at Sarnia include a Platformer and UDEX Units. The equipment will considerably increase Canadian Oil's production of petrochemical raw materials.

The Lubricating Oil and Grease Manufacturing Plant, strategically located on the harbor at Montreal — Canada's largest seaport — manufactures the well known White Rose motor oils, industrial oils and greases.

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Crude oil is transported via pipe line from Western Canada to our Sarnia Refinery; finished products travel to market by all modes of transportation . . . pipe line, marine tankers, tank cars and tank trucks. To service the St. Lawrence and Great Lakes areas, marine terminals are located at Quebec, Montreal, Cobourg, Toronto, Hamilton, Windsor, Parry Sound, and Fort William.

MARKETING

White Rose petroleum products are available in Canada from the Rockies to the Atlantic. White Rose gasolines, motor oils and batteries — as well as tires and other accessories — reach the public through more than 3,500 service stations and dealers. White Rose industrial lubricants are in wide and constant use in every phase of Canada's industry.

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The Pick of Them All

CANADIAN OIL COMPANIES, LIMITED
HEAD OFFICE, WHITE ROSE BUILDING, TORONTO, ONTARIO
Established 1907

Oil Companies

(Continued from page 59)

from beneath Lake Erie, offshore from Port Alma, in Kent County, Ont.

Since completion in 1943 of its first well, the company has brought in 28 successful gas producers on its 13,000-acre lease without a single failure. Average depth of the wells is about 1,200 ft. below the lake bed. Four of the company's seven drilling platforms are in use delineating the field. Each well takes about a month to drill and costs approximately $20,000.

In addition to its original acreage company holds exploratory licenses of occupation on more than 38,000 acres adjoining the producing lands, and jointly with **Imperial Oil** has licenses on 3,815 acres about 30 miles to the east. A well drilled here was dry.

Company sells its gas to **Union Gas Co.**, with its present contract calling for delivery to Union of a minimum of 1.25 billion cu. ft. and a maximum of 1.4 billion during 1956, increasing to a maximum of 2.6 billion cu. ft. in 1959 and each year thereafter. Larger volumes may be agreed upon from time to time if reserves warrant. Present proven reserves of the company are estimated at more than 40 billion cu. ft.

Two wholly owned subsidiaries were recently incorporated. **Underwater Gas Developers Ltd.** was formed to make available the company's type of tower and methods of underwater drilling to other operators, while **C.W.P. Exploration Co. Ltd.** would acquire further exploration permits from the Ontario Government.

Recently company raised $750,000 through sale of an issue of 5¼% debentures due 1961. Proceeds were used to repay bank loans and to augment working capital.

Revenue totaled $349,129 during 1955 compared with $221,139 the year before. Net earnings of $248,970 in 1955 were all written off against depreciation and amortization of exploration and development expense. This has been done each year to date and company has therefore not yet become liable for income taxes. However all preproduction expenditures of prior years are expected to be written off by the close of this year.

Capital comprises 98,550 preferred shares, $1 par, none of which are issued, and one million common shares, including 999,348 issued.

Cree Oil

Formed only this year, **Cree Oil** is stepping out as an active oil and gas exploration and development concern in Western Canada.

Since starting active operations in the spring, Cree now has 50% interest in 41,000 lease acres, 50% interest in 187,000 acres of reservations and three oil producers in Alberta. It has 100% interest in both 14,000 acres of leases and drilling reservations and 700,000 acres under exploration permit in Saskatchewan. In addition, three wells are drilling in Alberta.

Among recent successes, Cree and **Scurry-Rainbow** have drilled a gas success in the Viking and a well which indicated oil in the Cardium on a 2,240-acre farmout in the Bretton-Keystone area east of Pembina. The ventures are six miles apart. Cree has a 60% stake in the 50% interest acquired by the drilling team for supplying full costs of commitment wells.

Cree-Banff-H. B. Allingham 9-29 is drilling on farmout lands in the Klingstal-Acme area where Cree and **Banff Oil Ltd.** will earn jointly a net 50% interest in the acreage.

On formation, Cree Oil purchased the outstanding capital of **Link, Downing & Cooke Ltd.**, consulting geologists, for $265,000 early this year. The personnel of that firm have been retained as management.

In the spring, the company purchased a half section in the Sundre area of Alberta for $258,223.

Pro forma balance sheet at April 24, 1956, showed total assets of $7,915,752, including cash of $7,146,783. Current liabilities were $21,756.

Del Rio

Amalgamation of **Del Rio Producers with its partner, Central Leduc Oils,** is being rumored. It is expected that Central would exchange three shares of its capital stock for four of Del Rio, and Central would be the continuing entity.

The two companies have been associated in most of their activities since their inception, and have for the most part an interlocking executive and board of directors. Del Rio is also under the management of Central.

Development this year has been concentrated on almost 17,000 acres of leases jointly owned by the two companies in the Weyburn light-oil field in southeastern Saskatchewan.

At mid-year the team had 14 wells on production, both step-out ventures and field wells, and planned to complete four more per month to November. Reserves here of the team are estimated at 10.68 million bbl. of proven oil and 9.9 million bbl. probable. The Weyburn field has not yet been delimited in any direction.

Exploration is contemplated by the two companies on selected lands owned by them adjacent to production in the area to the south, between Weyburn and the U. S. border.

Other interests of Del Rio include a stake in 25 producing light-oil wells in Alberta and in five capped gas wells.

Net proceeds from oil production amounted to $129,155 after operating expenses for the fiscal year ended July 31, 1955. Working capital was increased by more than $500,000 in May of this year through the sale of treasury stock, and there are now 3,824,500 shares issued out of an authorized total of four million. Funded debt consists of $250,000 convertible 5½% debentures due 1965.

Devon-Palmer

Devon-Palmer is the continuing vehicle arising from the recent acquisition of **Rio-Palmer Oils** by **Devon-Leduc Oils**. Stock was exchanged on the basis of 1¼ shares of Devon-Leduc for each Rio-Palmer share, and the name of the company was then changed to Devon-Palmer.

Company enjoys a production of about 1,500 bbls. of oil per day and owns and operates seven drilling rigs. Interests are held in some 616,000 gross acres, or 368,640 acres net to company.

Gross revenues are reported to be in excess of $3.2 million annually, of which nearly $1 million comes from production and the remainder from contract drilling operations. Company expects an increase in production to 2,000 bbls. daily and resultant rise in gross income to an annual rate of approximately $4 million by the end of the year.

Current development is being carried out on 55,000 acres in the Pembina - Buck Lake field in which the company has a small but important interest, and on acreage in the southeastern Saskatchewan light-oil area. At Pembina-Buck Lake company's interest ranges from .9% to 1.875% in 176 oil wells, and further producers are being added at a rate of about nine per month.

Gas interests are represented chiefly by an 18¾% share in seven wells and about 100,000 acres of lease and reservation lands in the Gordondale sector of the Peace River district. Gas from here is slated for export to the West Coast, commencing late next year.

Other assets include a number of oil wells in Texas and Louisiana, an uranium prospect in New Mexico, an share interests in **Prairie Oil Royalties Ltd.** and **British Columbia Oil Lands Ltd.** Oil reserves are stated to be 12.4 million bbl., and reserves of gas are 47.5 billion cu. ft.

Working capital following the merger was $700,000. There are 9,045,209 shares issued out of a total authorization of 12 million, and funded debt totals $1,177,000.

Dome Expl.

Holdings of **Dome Exploration (Western) Ltd.** include an interest in 95 oil and two gas wells and in **Westspur** and **Pembina** pipe lines, 1,850,000 net acres in Western Canada, and a substantial block of stock of **Provo Gas Producers Ltd.** Management of this last company is under Dome's direction.

Currently exploration is being carried out in the Kindersley area of west-central Saskatchewan, in southwestern Manitoba and in several areas of Alberta. Development drilling is mostly centred in the Midale and Steelman fields in southeastern Saskatchewan, where the company and its associates have brought in 13 medium and two light-gravity oil wells.

In northeastern British Columbia, preliminary exploration and seismic work has been done on several permits totaling nearly 600,000 acres, all within a radius of 100 miles of Fort St. John. Further work is planned. A major company is committed to drill a deep test on 95,000 acres in the Buckinghorse area and negotiations are under way for another to be put down on a 400,000-acre block.

Proven oil reserves are estimated at 21 million bbls. net, and gas at 14 billion cu. ft. Net production of oil is expected to average about 2,400 bbls. per day for this year, compared with a daily average of 1,758 bbls. during 1955.

Oil sales totaled $1,773,958 in 1955. After writing off $609,376 and charging exploration expenses of $734,137, net loss was $510,705. There are outstanding $3,665,000 notes due 1963 and two million shares out of three million authorized.

Dominion Minerals

Dominion Minerals Development Ltd. holds 87½% net interest in about 15,000 acres of leases scattered in small blocks in Alberta and has interests in 12 producing oil wells.

It also holds 87½% interest in 7,040 acres in the Whitecourt area, 66% interest in 720 acres, 22½% in 160, 16% in 80, 12½% in 160 and 10% in 80 acres, also scattered in Alberta. It has 87% interest in about 50,000 acres of permits in B. C.

Among Alberta holdings and interests, there are three wells at Redwater, three at Camrose, one at Vermilion, two at Leduc, five at Erskine, two at Lloydminster.

Company is to participate to the extent of 33 1/3% in eight wells at Marshall, Sask.

A subsidiary, **Dominion Minerals Development Inc.**, conducts parent company's operations in the U. S.

Fargo Oils

Controlled and managed by **General American Oil Co. of Texas, Fargo Oils** reports recent successes in B. C., Manitoba and Saskatchewan.

These are:

—A Mississippian gas step-out with an initial potential of 25 million cu. ft. daily was completed on a 404,050-acre area of northeastern B. C. in which Fargo has 18¾% interest. Two wells are drilling there.

—One well was completed as an oil producer on a 170-acre farmout on the southern edge of the Virden-Roselea field in southwestern Manitoba. One further well is slated to drill.

—Fargo has acquired 180 acres and two wells completed on the acreage in the Epping field of Saskatchewan.

Fargo has interests in or holds acreage in all four western provinces. In addition to its oil and gas interests, it has 50% of 201 uranium claims in Saskatchewan and the Northwest Territories.

It has interests in the Redwater, Caprona-Fenn, Leduc, and Joarcam areas of Alberta, Lone Rock, Cantuar and other areas of Saskatchewan.

Reserves last year were estimated at 4 million bbls. at Lone Rock, Sask. and 1 million bbls. at Cantuar, Sask. Daily production was reported at 2,050 bbls. in November last year.

Net loss and deficit for the year ended Dec. 31, 1955, was $27,404. Sales of oil came to $1,353,471 and net earnings were $50d,962. Consolidated balance sheet showed at that date current assets of $364,449, and current liabilities of $272,648.

Gen. Petes.

General Petroleums of Canada Ltd. is the second largest well - drilling contractor in Canada, and has a substantial stake in production of crude oil.

Company owns and operates 20 drilling rigs, which completed 107 contracts for a total of 596,433 ft. drilled in the six months ended Sept. 30, 1956. By comparison 88 contracts were completed in the six months ended Mar. 31 of this year by the 16 rigs then owned, for a total footage of 467,026 ft.

Most of General's production revenue is derived from its 21% interest in 69 and 30% in six oil wells in Alberta's Joseph Lake field. Other wells are located in the West Drumheller (28), Rocky Mountain House (11), Garrington (3) and other fields in the province.

Acreage holdings consist of more than 1.3 million acres in which the company's net ownership is equal to about 300,000 acres, in Alberta, Saskatchewan, Northwest Territories and Montana.

Reserves are estimated at 2,403,471 bbls. of oil and 7.87 billion cu. ft. of natural gas. Company's 135,000 acres of prospective potash deposits owned in the Saskatoon area have indicated a high potash content, and methods of recovering the potash are being studied.

Investments include 436,847 shares of an affiliated company, **New Superior Oils of Canada Ltd.**, and a 20% stockholding in **Edmonton Pipe Line Co.**, which transports crude from the Armena-Camrose and Joseph Lake fields to Edmonton.

Net profit for the year ended Sept. 30, 1956, was reported to be $599,852, equal to approximately 53 cents per combined class A and ordinary share. Dividends of 20 cents per annum have been paid on the two stocks each year since 1951.

Great Plains

Net oil production of **Great Plains Development Co.** is now stated to be averaging 3,500 bbls. per day compared with a 2,000-bbl. daily rate a year ago.

At mid-year company had interests in 220 oil and 17 gas wells in Alberta and in three oil producers in Manitoba. Acreage position consisted of 591,281 acres net to company out of a total of more than a million gross acres.

During the first half of this year Great Plains participated in or contributed to the drilling of 63 wells, all in Alberta. Of 53 wells completed, 45 were brought in as oil producers at Pembina and Joffre, three encountered gas and only five were dry.

Commitments have been made to earn a share in additional selected prospects by exploratory drilling and certain other lands have been acquired outright to further improve company's net interest in some areas.

Plans are to maintain active exploration during the final half of this year, while construction has commenced on a waterflood project designed to maintain production and improve recovery in a substantial part of its Pembina-Buck Lake producing properties.

Reserves under drilled wells are stated to be 6.7 million bbls. of oil, 284,000 bbls. of natural gas liquids and 27.3 billion cu. ft. of gas.

Working capital was $2,084,865 at June 30, 1956. Outstanding notes had been reduced to $7,317,000 and there were 926,442 shares issued out of a total authorization of 1.5 million.

(Continued on page 74)

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Saskatchewan is the only province of Canada with a vast commercial supply of potash—raw material of a new multi-million dollar industry to be in production by 1958.

Markets and raw materials have opened up many industrial opportunities. THE PRAIRIE MARKET, WITH SASKATCHEWAN AS ITS CENTRE, OFFERS A GREAT NEW FIELD FOR LOCAL MANUFACTURING. Immediate opportunities exist for manufacturers of food products, furniture, electrical products, agricultural implements, stamped metal products, clothing, and a great variety of consumer goods.

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Oil Companies

(Continued from page 73)

Gt. Sweet Grass

Great Sweet Grass Oils has a share in 36 shut-in gas wells in Alberta and in 55 oil wells in Alberta, Manitoba and Oklahoma, plus mining claims in New Brunswick.

The Oklahoma properties were acquired at the beginning of this year for 1.75 million shares valued at $3.75 per share. The purchase included 8,380 acres of leases containing 38 oil wells and 48 proven but undrilled locations. Company has since completed seven more wells, and claims oil reserves here of 1.254 million bbls. developed and 8.216 million undeveloped. Proven gas reserves in Canada and the United States were rated at 173 billion cu. ft., both developed and undeveloped.

Mining interests comprise 47 claims in the Middle River area of New Brunswick, acquired in the spring of this year for 250,000 shares. Diamond drilling was carried out and a report is under preparation as a guide to further drilling in order to delineate the indicated ore body.

Revenue from production totaled $203,849 during the six months ended June 30, 1956, compared with an aggregate of $106,033 for the approximate 12-year period from inception of the company to the end of 1955. Authorized and issued capital is five million shares.

Gridoil Freehold

An exploration and development program in southeastern Saskatchewan is under way with five successful wells completed by **Gridoil Freehold Leases Ltd.**

Glen Ewen No. 2-12, a dual producer, is one of the five completions. It has an estimated flush production of 1,300 bbl. of oil daily. Completions are in the Carnduff, Oxbow and Alameda areas where three rigs have been drilling.

Gridoil, after repayment of loans for drilling wells, has 100% production revenue from 17 wells, 80% from 12 wells and 50% from 14 wells at Gull Lake as well as 80% from one well at Frobisher.

A water injection program was recently planned for the North Gull Lake field by Gridoil. Objective is to boost declining production.

The Cantuar pool has been declared a gas field and the company will sell its gas to the Sask. Power Corp., permitting Gridoil greater oil production.

Gridoil recently sold privately $3 million of 5½% convertible notes which have given the company sufficient funds to repay notes and advances to the parent company, Anglo American Exploration Ltd., and $1.2 million for exploration and development.

Last spring, Gridoil announced the launching of a $3.5 million development program in southeastern Saskatchewan and south central Manitoba. Program will involve the drilling of 68 wells.

Balance sheet at Dec. 31, 1955, showed total assets of $2,105,108 with current assets of $5,522. Current liabilities totaled $1,381,874.

Sales of crude oil for 1955 were $311,065 after royalties. Net loss for the year amounted to $146,289.

High Crest Oils

Successes this year by **High Crest Oils Ltd.** have been chalked up in the Hastings and Glen Ewen areas of southeast Saskatchewan.

Company now has four wells in the Hastings area. Two additional Mission Canyon wells were completed last summer and another well was drilling this fall.

At Glen Ewen, Sask., High Crest with two other firms supplied full costs of drilling a Mission Canyon oil well for a team interest of 50% in the well and a 320-acre farmout. A Charles oil well was completed.

The four-company team supplied full costs for a 50% interest which is divided equally among the members. Further drilling costs are to be borne on the basis of 50% by **Bailey Selburn** and 50% by the team.

High Crest holds interests in acreage in Alberta, Saskatchewan, Montana and Oklahoma. U. S. activities are carried on by a subsidiary, High Crest Oils Inc.

Early this year, High Crest acquired a 25% interest in the properties formerly held by Crystal Oils. High Crest's share of the purchase price was $312,500. Involved in the deal were about 198,000 acres of freehold leases, 53,000 acres of gross royalty.

In addition to the Hastings and Glen Ewen interests, the company has interests in 22 wells at Leduc, two at Chancellor, four at Armena, three at Malmo, five gas wells at Atlee, two at Wainwright, all in Alberta, and four at Steelman and five in other areas.

Balance sheet at Sept. 30, 1955, showed current assets of $25,261 and current liabilities of $89,315. Net profit and surplus for the year ending Sept. 30, 1955, was $39,595.

High.-Sarcee

Highwood-Sarcee Oils is a holding company which through a wholly owned subsidiary has interests in 12 oil wells and seven gas wells in Alberta and Saskatchewan, plus a gross royalty in a number of wells.

Acreage holdings comprise from less than 1% to 100% in approximately 160,000 acres of leases and reservation lands in the two provinces.

Company recently acquired 900,000 shares of **Vanalta Ltd.** for a cash consideration of $245,000 and has an option on a further 200,000 shares at 35c per share. Vanalta owns four oil producers in the Leduc field and acreage in Alberta.

Development this year was centred on 520 acres in Saskatchewan's Eureka field. Seven light-oil wells in which Highwood's interests range from 25% to 75% were completed at shallow depths averaging about 2,400 ft.

Gas interests include a 10% share in 45,000 acres and 3 1/3% in 8,500 acres in the Bindloss-Cavendish area of east-central Alberta. Five gas wells are capped on the property. This field is scheduled to be one of the first to export gas to Eastern Canada, and a contract for the delivery of gas to **Trans-Canada Pipe Lines** has been signed by the company.

Proven reserves are estimated at 10.2 billion cu. ft. of gas and almost 200,000 bbls. of oil.

Revenue from wells totaled $11,243 in the fiscal year ended June 30, 1956, while income from other sources amounted to $13,271. Net loss for the year was $16,196 as against a net profit of $26,607 the year previous. Working capital at the end of June was $344,390.

There are 2,834,643 shares issued out of five million authorized.

Hi-Tower Drilling

Hi-Tower Drilling Co. Ltd. continues to ride the crest of western oil and gas expansion.

The company, with some nine rigs at work, drills oil and gas wells under contract. In addition, it has interests in producing wells in the Roselea area of Manitoba.

Hi-Tower has a 12.16% interest in acreage in the Virden-Roselea area on which one good, one poor and two fair oil producers were completed in 1953-54.

Company has recently declared a dividend of 30c plus an extra of 25c per share payable Dec. 1 this year, reflecting another successful year of operations.

Income account for year ending Feb. 29, 1956, showed net profit of $152,234 with no dividends paid. Profit compares with a loss of $817 the previous year. At the year's end, current assets were $683,492 and current liabilities $534,139.

Home Oil

Home Oil Co. expected to spend approximately $15 million this year on a drilling program, acquisition of new oil and gas leases and advances to its wholly owned pipeline subsidiary.

Financing of these expenditures was arranged through the recent sale of $7.5 million 5% convertible debentures due 1971, and $8.5 million 5½% secured notes.

Areas of chief development this year have been Pembina and Harmattan, in Alberta. In the latter field Home has three rigs drilling wells and the producing area has been extended to 5½ miles. On Aug. 1 company held 77½% interest in 12 wells here producing or capable of production. At Pembina on that date Home had a stake in 59 oil producers equivalent to 39 wholly owned wells.

Landholdings at Oct. 1 amounted to 486,151 net acres out of a total of 979,896 gross acres in Alberta. In addition company shares in three important farmouts covering 340,000 reservation acres in the general Virginia Hills-Swan Hills region 125 miles northwest of Edmonton. Preliminary exploration indicates that the country is attractive from the standpoint of lower Cretaceous, Devonian and Granite Wash possibilities. An interest has also been obtained in a 50,000-acre reservation in Alberta's tar sands.

During the first nine months of 1956 Home participated in the drilling of 14 wildcat wells resulting in one oil and one gas discovery and 12 dry holes. Eleven more exploratory wells are planned for the last quarter of this year and the first three months of 1957. Of 74 field wells put down during the period, only two were dry, the remainder being placed on oil production.

Net production for the eight months ended August, 1956, totaled 2,076,080 bbls. for a daily average of 8,542. This represents an increase of 39.5%

(Continued on page 75)

Oil Exploration and Development

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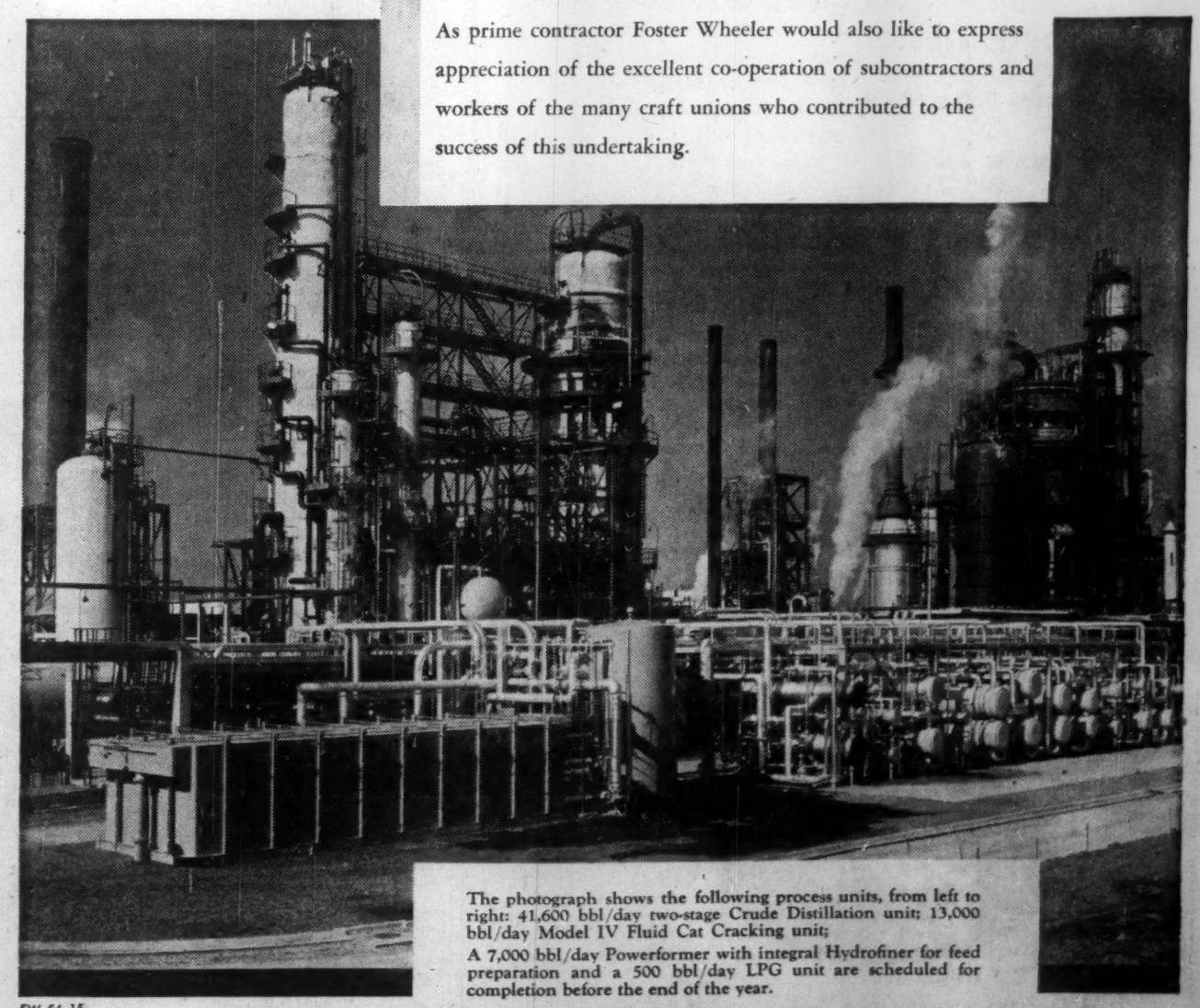

The photograph shows the following process units, from left to right: 41,600 bbl/day two-stage Crude Distillation unit; 13,000 bbl/day Model IV Fluid Cat Cracking unit;
A 7,000 bbl/day Powerformer with integral Hydrofiner for feed preparation and a 500 bbl/day LPG unit are scheduled for completion before the end of the year.

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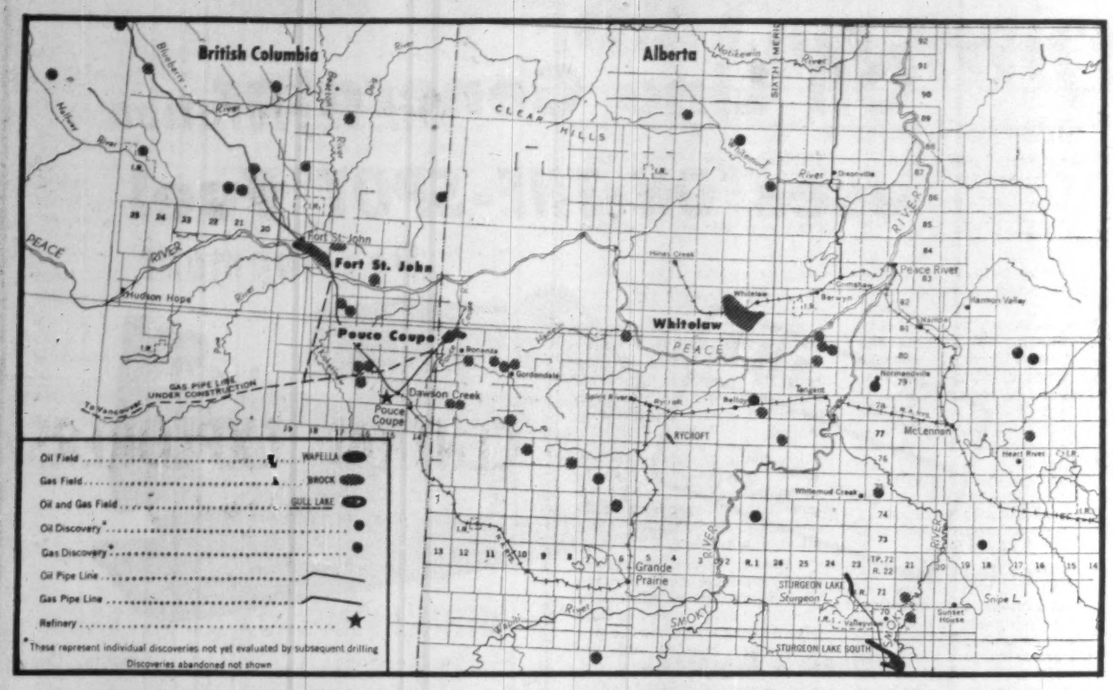

Oil Companies

(Continued from page 74)

over the corresponding period of last year. Daily production for the month of August averaged 10,280 bbls. net to the company.

Proven developed and undeveloped reserves are estimated at 43,730,000 bbls. of oil, 4,314,000 bbls. of natural gas liquids and 261.2 billion cu. ft. of gas. Probable additional reserves were indicated at 5,238,000 bbls. of oil, 2,335,000 bbls. of liquids and 61.5 billion cu. ft. of gas.

Pipeline of the subsidiary began transporting oil from the Sundre, Westward Ho and Harmattan fields to refineries at Calgary in September. Established tariffs will enable Home to earn a satisfactory return on its investment and the line will result in a higher wellhead price for its wells, company reports.

Jupiter Oils

Jupiter Oils is negotiating toward the acquisition of several oil companies. Latest purchase was the assets of **Pawnee Oil & Gas Co.** of Oklahoma, comprising 22 producing gas and oil wells and about 20,000 acres in Oklahoma, Texas, Louisiana and South Dakota.

President Henry Lewis of Jupiter reports that it now has a stake in 187 oil and gas producers, giving it proven drilled and undrilled reserves of 6,378,000 bbls. of oil and 118.74 billion cu. ft. of gas.

Working capital was augmented last August by $645,000 from the sale of treasury stock. The funds will be used principally for the development of the recently acquired properties in east Texas and Louisiana. A well is drilling and three more are planned on the Terry Lease in the Panhandle oil field, and drilling will be done on holdings in North Magnolia City, Riverdale and La Jara fields in Texas and in Iberville Parish, La.

In Alberta a 14% interest is held in 75 producing oil wells in the Joseph Lake field, plus a share in 15 other wells at Leduc, Pembina, Armena and Lloydminster. A 1 2/3% carried interest is owned in 1.2 million acres in the Wapiti-Smoky area. Two major companies have drilled four widely separated wells and two more have been located.

Authorized capital comprises five million shares of which 3,019,133 are issued. In addition there are outstanding $781,000 convertible 5% debentures due 1967, and a $290,000 bank loan. The debentures are currently convertible into common stock on the basis of 22 shares per $100 debenture.

Kroy Oil

Kroy Oils Ltd. has a part of 164 oil and 16 gas wells and petroleum and natural gas leases and reservations covering 700,000 gross acres (272,000 acres net) in Alberta, Oklahoma and Louisiana. Chief interest is in the Joseph Lake field in Alberta, where a 17½% share is held in 69 oil producers and 25% in six.

Exploration and development over the past year has resulted in eight successful oil wells and two potential gas producers, all in Alberta. Five wildcat ventures in Manitoba were dry.

Company recently acquired the interest of Sharples Oil (Canada) in the Kessler gas field of eastern Alberta. The purchase includes a share in 58,000 acres of leases, gas license and reservation lands to bring Kroy's stake in the field to 37½% in the gas reserves and 40% of the oil. Gas from this field is reserved for eventual export to Eastern Canada.

A well in the South Short Junction field of Oklahoma, drilled by a wholly owned subsidiary and an associate, has indicated the presence of oil in five separate sections. The venture is due to be taken down to 10,000 ft. to test the Bromide sand. Subsidiary also shares in 70 oil producers and 55 proven locations.

Proven oil reserves are stated to be 11.8 million bbls. of oil, including both primary and secondary recovery, and approximately 94 billion cu. ft. of gas.

Oil sales totaled $447,154 in the year ended Apr. 30, 1956. After expenses, plus write-offs and dry hole contributions totaling $209,613, net loss was $9,438. Working capital at the end of April was $211,356.

There are 4,475,000 shares issued out of six million authorized, and $1.3 million 5% convertible debentures are outstanding. These are currently convertible into stock at the rate of 30 shares per $100 debenture.

Leduc Calmar

Leduc Calmar Oil Co. Ltd. has varying interests in producing wells in Alberta.

Early this year, it sold its 20,000-acre holdings in the Key River area for $22,500. Interests in acreage are still held in several areas of Alberta.

At Leduc, Alta., the company has varying interests in 15 wells, including a 10% to 50% interest in 13 wells, equal to more than four wholly owned wells.

In other areas, Leduc Calmar has a commercial gas producer on a 7,000-acre farmout from Imperial at Oliver Lake. Three other wells were drilled, and two abandoned.

Liberal Petroleums

Liberal Petroleums Ltd., an independent oil company, has interests in 51 producing wells and various blocks of undeveloped acreage in Alberta, B.C. and Saskatchewan.

This year, the company has added to its reservation acreage and has earned further interest on a farmout deal.

Total reservation acreage is now 250,118 with a net interest of 62,772. Total lease acreage comes to 360,700 and a net of 84,855 acres.

Company's reserves are estimated at about 6.2 million bbl. in the South Sturgeon Lake field and 584,000 bbl. in the Lloydminster field after estimated development and operating costs. The company gives the well head price of oil at South Sturgeon as $2.29 a bbl. and at Lloydminster as $1.38 a bbl.

The South Sturgeon area holdings are considered possibly the company's most interesting possession, where it holds 14 1/3 % carried interest in 16 lease blocks of 49,000 acres. On two of these blocks, there are 31 wells producing, only five holes were abandoned as dry and two wells are drilling on proven land now.

Liberal Pete's share of production for the year ending Nov. 30, 1955, was 96,338 bbl., excluding Sturgeon Lake. Current assets at that date were $134,698 and current liabilities were $14,189.

Marigold Oils

Marigold Oils Ltd., retaining its interests in some 1,390 acres in the past year, acquired a 1/16 interest in 2,449 additional acres in Stephens County, Texas, which includes a producing well.

Among latest successes, gas was obtained under pressure on company lands in Newfoundland at a depth of 1,154 ft. Exploratory drilling is continuing.

Marigold owns two and a 50% interest in one oil-gas wells, all capped in the Barrhead area, has interest in five producing wells and one suspended in Armena field of Alberta, three producing wells in Stephens County, Texas and one producing gas well in Big Lake, Alta.

Marigold also holds a share interest in **Pan Israel Oil Co. Inc.** and **Israel Mediterranean Petroleum Corp.** and has a continuing interest in their financing.

The company had a net loss of $99,424 for the year ending April 30, 1956, down from a net loss of $690,041 in the previous year. Total income of $31,538 in 1956 included production revenue of $22,819.

Balance sheet at April 30, 1956, showed total assets of $825,153 with current assets of $324,798. Current liabilities were $964.

Bryan W. Newkirk now heads Marigold as president, replacing B. F. Bridges.

Medallion Petes.

Medallion Petroleums is the new name of **Pathfinder Petroleums** following acquisition of the assets of **Yankee Princess Oils.** Shares were exchanged on the basis of one Medallion share for each 2½ shares of Pathfinder or 3½ Yankee Princess shares.

Company now claims a gross income of around $800,000 per annum from current oil production. This is derived from its participating and royalty interests in 80 wells. Thirteen gas wells in which the company shares are capped awaiting completion of the pipelines to Eastern Canada and the west coast.

Landholdings total some 2,089,000 gross acres equivalent to ownership of 382,303 acres net to the company, located in the four western provinces plus small holdings in Montana and North Dakota. Such interests include 4,400 acres west of production in the Sundre-Westward Ho area and nearly 17,000 acres in the Rocky Mountain House-Ferrier region of central west Alberta, and 1,165 acres in the Midale-Estevan sector of southeastern Saskatchewan. Gas areas are located at Pouce Coupe, Alta., and Fort St. John, B.C., in the general Peace River district.

Oil reserves of Medallion are estimated at 2 million bbls., and reserves of gas at 40 billion cu. ft.

Capitalization is made up of seven million shares including 2,796,864 issued, and $1,373,000 debentures due 1962. Working capital which totaled $525,000 at Aug. 29 of this year was recently augmented by a further $330,000 cash.

Merrill Pete.

Merrill Petroleums held interests in 846 producing oil wells at mid-year, and had a stake in nearly 3.5 million acres equal to 475,000 acres net to the company. A wholly owned subsidiary owns and operates 15 well-drilling rigs.

Most of its producers (640 at Oct. 23) are located in the general Pembina area, including the Drayton Valley, Violet Grove, Buck Lake, Buck Creek, North Pembina sectors as well as the main Pembina field.

Discoveries were recently shared in at Wimborne and Paddle River, Alberta. The first named find was made in the Devonian D 3 zone on a spread of 7,026 acres in which Merrill has 16 2/3%. Wet gas flowed from an indicated 80 ft. of pay zone at rates up to 20 million cu. ft. per day. At Paddle River heavy oil was encountered in the Mississippian on 17,000 acres similarly shared.

Companys net slice of production was 166,314 bbls. last June, for a daily average of 5,365 bbls. Oil reserves in the Pembina field were estimated early this year at 47.5 million bbls. net to the company from primary recovery. Gas reserves are 18 billion cu. ft. drilled proven and 45 billion cu. ft. semiproven and probable.

Consolidated net profit for the six months ended June 30, 1956, was $1,358,280 equivalent to 46.6 cents per share. This compares with a profit of $33,207 or one cent per share for the first half of 1955. Oil sales increased by $1,971,907 to $2,488,238 while contract drill-

(Contiued on page 76)

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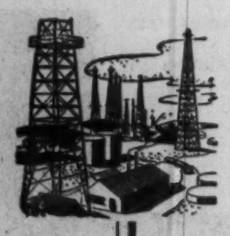

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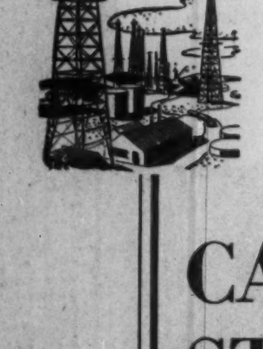

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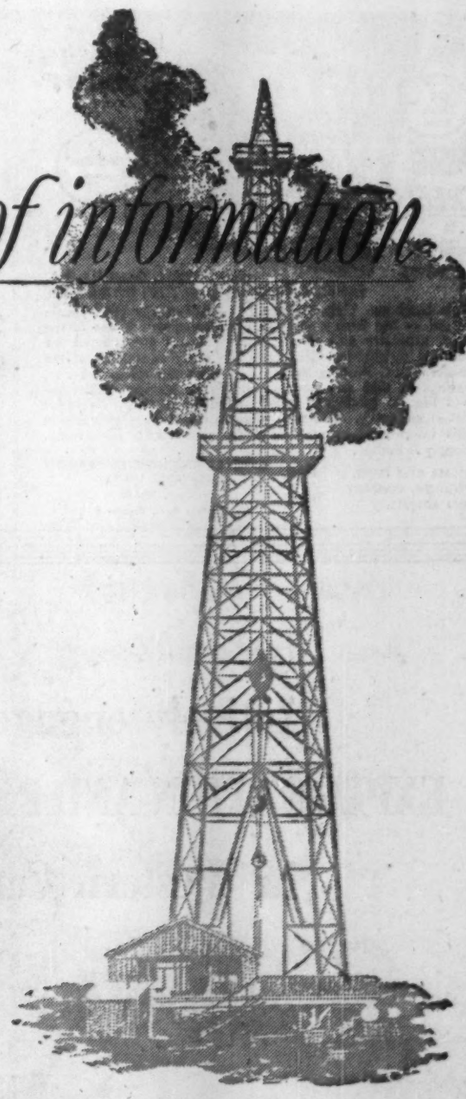

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Oil Companies

(Continued from page 75)

ing revenue rose to $705,803 from $451,893.

Authorized capital is 5 million shares, of which only 2,-912,995 are issued. Long-term debt totaled $16,674,025 at the end of last year.

Midcon Oil

A stake in oil and gas production and a natural gas pipeline is held by **Midcon Oil & Gas Ltd.**

Major interest at present is the company's 50% interest in the Etzikom gas field in southeast Alberta and in a 45-mile gas pipe line from the field to Medicine Hat. Gas will be transported under longterm contracts via the line from Etzikom to feed the City of Medicine Hat and a newly completed nitro-chemical plant at that point.

Future revenue of Midcon from the sale of gas under the contracts should aggregate $100,000 or more per annum initially, commencing in October of this year, and is expected to increase under the existing contractual agreements to at least $250,000 per-year. This is calculated after providing for amortization cost to the company of the pipe line.

In southwestern Ontario company has acquired licenses of occupation covering some 14,000 acres of potential gas lands underlying Lake Erie. The tract is bounded on the west by gas-producing properties of **Consolidated West Petroleum.** Drilling is under way.

Present revenue comes from an interest in nine producing oil wells in the Stony Plain field, Alberta. Such income totaled $50,489 in the fiscal year ended Mar. 31, 1956. Working capital on that date amounted to $156,056.

Authorized capital is 5 million shares, and there are 3.85 million shares issued.

Mill City

Obtaining a farmout including two well sites in the Harmattan area of Alberta, **Mill City Petroleums Ltd.** and associates recently completed two oil wells on this land.

Mill City provided 25% of costs for a 12½% interest.

At Joffre, the same group obtained a farmout and must drill at least eight wells for an interest (12½% to Mill City) in them and in the acreage. Group has completed five oil wells leaving 11 sites still undrilled at a recent date. Development is continuing.

The company and **Charter Oil** are equal partners in developing acreage obtained from **Sun Oil** in the Carnduff area of southeastern Saskatchewan. Sun Oil retains a royalty interest. The team has completed a light-oil well on the quarter. The well in the Seven Persons area of Alberta was dry.

Mill City holds interests in over 20 producing oil wells, several oil and gas wells and in capped wells in Alberta.

Interests are held in wells in the Alberta areas of Leduc, Malmo, Turner Valley, Duhamel, Chancellor, Kessler, Elk Point-Muriel, Bonnyville, Wainwright, Seven Persons, as well as Harmattan.

Natl. Pete.

National Petroleum has for the past few years concentrated its operations toward the development of its new process for completing oil wells.

The process will, it is hoped, make it possible to treat, stimulate and produce each band of oil reservoir separately and thus make available much of the oil ordinarily left in the ground by other methods. Company began the fabrication of components for the process and related casing last year and has built up supplies of the necessary expanding cement.

Two wells are reported to have been successfully completed by the new method in California and National is planning to develop the system on a large scale. Company owns exclusive United States rights on the method which is patented, and the right to use it for its own operations in Canada.

Company also owns or has interests in 19 oil wells in Turner Valley and the Del Bonita, Spring Coulee and Woolford areas of southern Alberta, and owns three drilling rigs. Most of the wells in the last three fields are shut in.

Total income for the year ended Nov. 30, 1955, was $163,-361, including $80,944 from production. Working capital at that date amounted to $1,078,-449. Capital consists of 5 million shares, and there are 4,-098,872 shares outstanding.

N. Bris. Oils

New Bristol Oils has a share in about 320 oil wells in Alberta, Ontario and the United States, and owns mining prospects in New Brunswick, Ontario, Quebec and Utah.

In Texas interests ranging from 9.57% to 43.75% are held in 52 oil wells, equivalent to ownership of about 21 net wells. Gravity of the oil runs from 39 to 43 degrees. A stake is also held in a further 34 producers of 22 degree gravity oil, equal to about 24 net wells.

Waterflood treatment for secondary recovery of oil is under way on acreage in Kentucky on which there are 75 company wells. A similar program is also in progress on 2,785 acres in which New Bristol has an average of 64.6% interest, in Illinois, Indiana and Kentucky. A total of 116 wells is involved here. They are subject to a payment out of production, which is expected to be paid off within 22 months of Apr. 1, 1956, following which the company will receive its full income from the properties.

Oil reserves are estimated at approximately 2.7 million bbls., including both primary and secondary recovery. Company's net share of production from its Alberta, Texas and Oklahoma properties only was about 13,300 bbls. during August of last year.

Mining division has a base metal prospect of 35 claims in the Newcastle sector of New Brunswick, a 23-claim uranium prospect in the Elliott Lake area at Blind River, Ont., a lithium prospect comprising 1,200 acres in LaCorne township, Que., and 25 unpatented uranium claims in Kane County, Utah. No work has been reported on these properties.

Production revenue totaled $378,778 during 1955, and should be higher this year through acquisition of further oil production last January. Authorized capital is 10 million shares; of the 6,163,810 shares issued, 1,264,000 are held by Phoenix-Campbell Corp.

N. Br. Dom. Oil

New British Dominion Oil Co. holds 20% of the voting stock of **Northwest Nitro-Chemicals Ltd.**, plus interests in 12 oil and 22 gas wells and undeveloped acreage in Western Canada and the United States.

Northwest is constructing a plant at Medicine Hat, Alta., for the manufacture of nitrogen and phosphate chemical from natural gas. It is expected to be completed by the close of this year.

Gas for the plant will be supplied from the Etzikom field, in which New British has a half interest, through a recently completed 45-mile pipeline, in which a 50% share is also held. Contract with Northwest calls for delivery of a minimum of 3.5 million cu. ft. per day initially, increasing to a maximum of 19.5 million cu. ft. daily, over a 20-year period. Price is 12½ cents per Mcf. for the first five years, increasing gradually thereafter to 17 cents. Gas will also be delivered under contract to the city of Medicine Hat.

Reserves are estimated at 175 billion cu. ft. of gas and approximately 700,000 bbls. of oil.

Exploration drilling is planned on holdings in Alberta and Saskatchewan, and either offsetting or on a farmout basis on lands in Montana of a subsidiary, **Flank Oil Co.**

Gross consolidated revenue aggregated $76,932 for the fiscal year ended Mar. 31, 1956. Net loss was $407,867 after expenses and write-offs. Working capital position at that date showed an excess of $808,062 of current liabilities over current assets. Authorized capital is 4 million shares, with 200,000 shares remaining in the treasury.

North Cdn. Oils

The two most important projects in which **North Canadian Oils** is currently engaged are the construction of a pulp mill and a natural gas pipeline.

The pulp mill, in which the company has a half interest, is being erected at Hinton, Alta., at a cost of approximately $35 million. It is owned by **North Western Pulp & Power Co.** and will be operated under the supervision of the other stockholder, **St. Regis Paper Co.,** New York, which will also market the mill's output. Initial production is expected in the first quarter of next year. Earnings of North Western are expected to be approximately $10 million after normal depreciation but before taxes.

The pipeline, which is wholly owned by North Canadian, was recently completed. It will carry gas to the new mill and may also serve communities and other customers along its 136-mile length. Cost of construction was in the neighborhood of $4 million.

North Canadian obtained the funds to purchase its North Western stock ($5 million) and to build the pipeline through the issuance of $7.5 million first mortgage and general mortgage bonds due 1975, and $2.5 million preferred shares of $50 par value. Management believes that the income from operation of the pipeline alone will be more than sufficient to cover maximum interest and sinking fund requirements.

Further financing was effected in October of this year through the sale of an additional 20,000 preferred and 338,000 common shares for a total of $2,482,000. Proceeds will be used for further capital expenditures on the pulp mill.

Production revenue from company's share in 26 oil wells in Alberta declined to $253,608 during the year ended March 31, 1956, from $321,176 the year previous.

N. Cont. Oil

New Continental Oil Co. has participating interests in 72 oil and four gas wells in Alberta and Texas and royalties in a further 143 oil wells in Alberta. Also has a varying interest in 476,622 acres of leases and reservations.

Success was recently achieved in the Weyburn area of southeastern Saskatchewan on a 160-acre lease obtained under farmout arrangement. Light oil was encountered in commercial quantities in the Charles member of the Mississippian formation at depth of ,544 ft. One well site remains to be drilled on the block.

In the Peace River area of northeastern British Columbia exploratory drilling on 144,000 acres of permits has indicated the possibility of gas for future development and export to the West Coast. **Union Oil of California** took over the lands for exploration, reimbursing the company 43.75% of its investment and giving it a gross royalty.

In Texas the company has an 81¼% share in 2,720 acres in the Spraberry field, containing 39 producing oil wells and 29 undrilled locations. A program of deepening the present wells to the Lower Spraberry formation has met with success and is being continued. Production during the six months ended Sept. 30, 1956, totaled 67,263 bbls. of oil, as compared with 18,844 bbls. in the corresponding period of 1955 before the deepening program was launched.

Further core-hole drilling is planned on the 23,000 acres of leases in the Athabasca Tar Sands of northern Alberta, in which the company has a 15% stake. The group has also picked up an additional 30,000 acres of reservations in the vicinity of its leaseholdings.

Gross income for the year ended Mar. 31, 1956, was $604,-606, including revenue of $559,435 from oil and gas sales. Net profit was $149,986 after expenses and write-offs. Working capital was recently reported to be in excess of $250,-000.

There are six million shares authorized, all of which are issued.

New Chamberlain

New Chamberlain Petroleums Ltd. has an estimated 140 billion cu. ft. of proven and probable reserves in the Bindless-Buffalo field. Reserves are based on the 12 wells completed to near the end of last year.

Since then, four additional wells have been brought in as potential producers.

Work in the Grande Prairie region last year gave encour-

(Continued on page 77)

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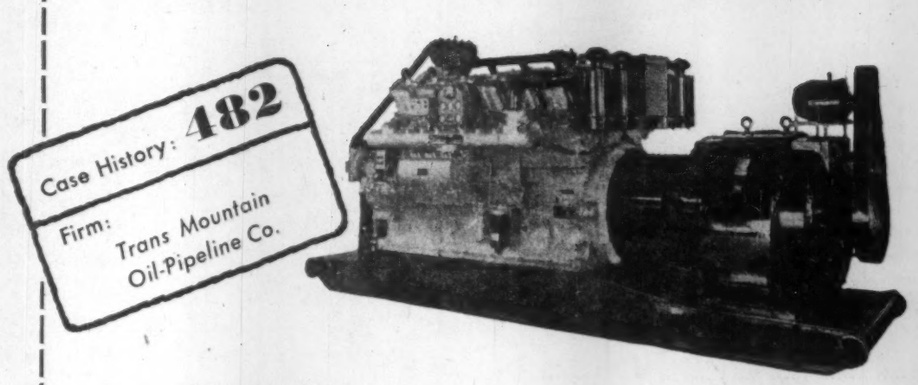

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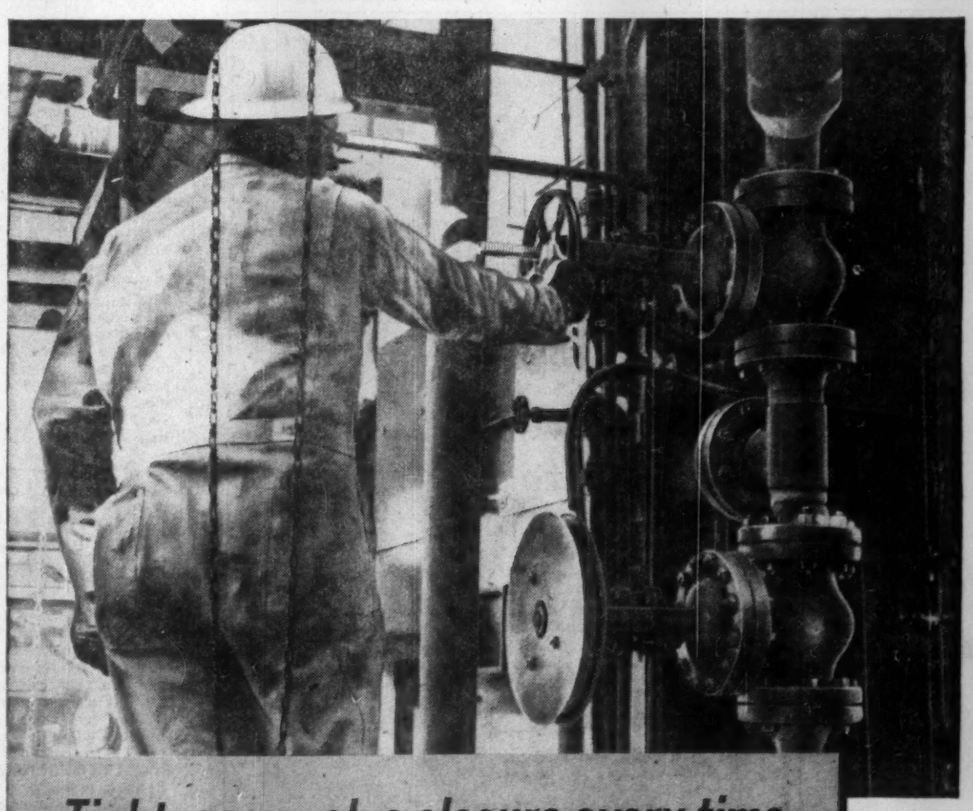

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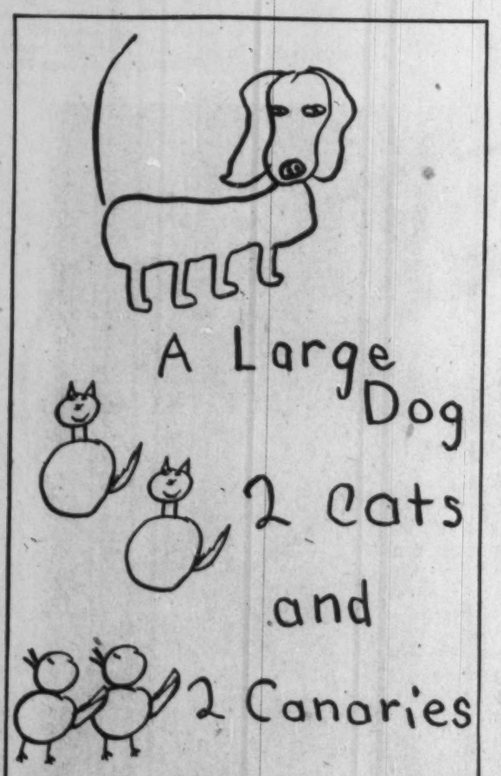

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Oil Companies

(Continued from page 76)

agement to the company and further drilling is planned. Oil shows were found in the Cutbank No. 1 well and large volumes of gas with condensate at the Stanolind Chinook Ridge A-1 well.

In October last year, New Chamberlain suspended operation of three producing oil wells considered uneconomic on the East Edmonton lease.

Additionally, interests are held in two wells in the Jenner field of Alberta. New Chamberlain also has a share interest in **Jerd Petroleums Ltd.** which has a 70% interest in 80,000 acres southwest of Grande Prairie, Alta. Drilling started two years ago.

The company reports a net loss of $3,756 for the year ended April 30, 1956 compared with a net profit of $17,022 for the previous year. Total income of $9,789 in the year included production revenue of $8,781.

New Davies

Most important asset of **New Davies Petroleums** now is a ½ of 1% interest in an exploration program of **Home Oil Co.** and associates.

Through this participation the company has a stake in more than 30 oil wells in the Pembina, Westward Ho-Harmattan and Erskine fields of Alberta. A further share is held through the ownership of one third of the capital stock of Newclare Oils, which also has a ½ of 1% interest in the project. One fifth of the issued capital of **Vulcan Oils Ltd.** is also owned by New Davies.

A majority interest is held in three Turner Valley oil producers. Net oil revenue totaled $21,592 in the year ended June 30, 1955. Authorized capital is four million shares, and there are 2,136,063 left in the company's treasury.

New Gas Explor.

New Gas Exploration Co. of Alberta Ltd. has varied interests in the natural gas export area of northeastern B. C. and northwestern Alberta.

The company also holds interests in 29 gas wells and 22 oil wells in Western Canada and the U. S. Acreage interests are in Western Canada and the U. S.

New Gas is under the management of **Canadian Atlantic Oil Co.**

Last year, the company offered to acquire the stock of **Poplar Oils Ltd.** through share exchange. At mid-1956, New Gas held over 1.5 million shares of Poplar out of 1,611,850 shares outstanding.

New Gas has interests in wells in the Rycroft, Little Smoky Lake, Pouce Coupe, Valleyview, Manawan Lake, Steveville, and Hardisty areas of Alberta. It has also been active in the Weyburn area of Saskatchewan, and in Texas, Montana, Oklahoma and Cuba.

A subsidiary, **Gas Exploration Co.** of Alberta, conducts operations in U. S.

N. Sup. Oils

New Superior Oils of Canada shares in production from 134 oil wells in Alberta and has a stake in eight potential gas producers. Landholdings consist of 1,184,708 gross acres, equivalent to ownership of 144,744 net acres.

Most of its oil revenue is derived from a 17½% interest in 75 producers in the Joseph Lake field and 27½ and 35% in 21 at West Drumheller. In the Pembina field the company participated to the extent of 85% in completing 17 oil wells, mostly during 1956. Cost to the company of acquiring and developing the acreage, estimated at $3.5 million, was provided by a bank loan repayable out of production. Company expects to repay the loan within four years.

Company and associates discovered the Rocky Mountain House Cardium-sand oil field in 1954, and have completed 11 producers there. These are all on the northern portion of the group's 11,818 acre tract. A well on the southern part is suspended.

Proven primary recoverable reserves of oil are estimated at 4,722,000 bbls. net to the company, and additional probable reserves at 3,880,000 bbls. Developed gas reserves were 15.3 billion cu. ft.

Net income totaled $834,737 during the 11 months ended Mar. 31, 1956. Net loss was $200,007 after all charges including write-offs of $683,101.

Capitalization comprises $1,357,000 convertible 5% debentures due 1964 and four million common shares. There are 1,519,417 shares issued. The debentures are currently convertible into common stock at approximately $6.94 per share.

Nuco Pete

Nuco Petroleums Ltd. owns or has participating interests in 110 oil wells in Alberta and Saskatchewan, mostly in the Lloydminster area.

The company's interest in 180 acres in the Epping field of Saskatchewan with two producing wells was purchased recently by **Fargo Oils Ltd.**

Nuco, in its drilling program in the Wainwright field, has completed four oil wells and has staked location for several more. Two wells were dry.

Last year, Nuco began operation of a $200,000, 4,000-bbl. a day dehydrating and desalting plant at Lloydminster, Alta.

Interests of the company include wells at Marshall and Furness, Sask., and at Blackfoot, Borradaile, Erskine, Leduc, Wainwright and Ellerslie in Alberta.

Company's share in production for the 10 months to Oct. 31, 1955, was 47,867 bbl. of light oil and another 235,720 bbl. of heavy oil.

Nuco has a share interest in **Excelsior Refineries Ltd.**

Okalta Oils

Okalta Oils reports that it has sufficient working capital to carry on development operations for a considerable time but anticipates offering securities before too long to finance extended projects.

Revenue of company and its subsidiaries is now at a rate of about $1.7 million annually, and is expected to increase by a further $500,000 from gas sales alone within three years. This would derive from higher volume of production and the prospect of greater income from projected gas wells.

Production of company's group had risen by last August to 45,000 bbls. of oil as compared with 26,000 last May, and would be approximately 50,000 bbls. per month by the close of this year.

Participation was taken in the drilling of 30 wells this year, resulting in the successful completion of 19 oil wells and four gassers. The remainder were dry holes.

Reserves of company and subsidiaries are estimated to total 10 million bbls. of crude and 80 billion cu. ft. of gas.

Okalta owns 55% of the shares of **New Concord Development Corp.** and 52% of **Consolidated Cordasun Oils.** Management of these firms is under Okalta's direction, and eventual merger of the three organizations is anticipated.

Authorized capital is seven million shares, of which 3,569,731 are issued.

Pac. Petes.

Activities of **Pacific Petroleums** in the past few years have chiefly been centred on the search for gas in the Peace River district of northwestern Alberta and northeastern British Columbia.

Company and its associates have discovered a number of gas fields in the region, most important of which is the Fort St. John field. Gas has been found here in eight separate zones at rates up to 71 million cu. ft. daily. Light oil has also been found in two of the wells and the oil possibilities are being further evaluated.

Landholdings total more than eight million acres, equal to nearly 3.5 million acres net to the company. Oil production is derived from a share in 77 oil wells, including 67 in the Redwater field.

More than 5 million acres are being explored by **Southern Production Co.** and **Imperial Oil,** who have agreed to spend at least $19 million on separate programs over the next few years.

Pacific sponsored and holds 22½% of the common stock of **Westcoast Transmission Co.,** which is constructing a pipeline to transport natural gas from Peace River to the Canadian and United States west coast. Pacific is also erecting an $18 million gas processing plant and a sulphur manufacturing plant near Fort St. John. Both are expected to be completed late next year.

Recently a major interest was acquired in **X-L Refineries,** which owns and operates a 3,000-barrel daily capacity refinery at Dawson Creek, B.C. Other investments include 525,586 shares of an associated company, **Canadian Atlantic Oil Co.,** and nearly 1.7 million shares out of 3,027,495 issued shares of a subsidiary, **Peace River Natural Gas Co.** Pacific has also agreed to provide funds to Peace River to the extent of $1.25 million to cover that company's exploration and development requirements, and will accept shares in repayment at $8 per share.

Reserves of Pacific are rated at more than one trillion cu. ft. of gas and some 30 million bbls. of oil and condensate.

Gross income during the year ended Feb. 29, 1956, totaled $2,355,717, including $1,134,585 from production and servicing operations. Net profit was $644,709 after expenses plus write-offs of $681,200.

Pan Western

Pan Western Oils Ltd. holds interests in oil and gas wells in Alberta and Saskatchewan and in acreage in Ontario as well.

Encouraging shows of oil and gas were reported recently from an exploratory well drilled by the company and Canso Oil Producers in the Major area of southwestern Saskatchewan. A well in the nearby Hilldale area was dry.

Pan Western holds interests in wells in the Leduc, Baxter Lake and Pouce Coupe areas of Alberta and at Smiley-Hoosier, Sask. It is also carrying out development at Stony Plain, Alta.

In northern Alberta, Pan Western and associates farmed out 80,000 acres about 40 miles southeast of Red Earth oil discovery to **Stanolind Oil & Gas** for cash payment and 5% gross royalty.

Company's share of total remaining recoverable oil reserves has been estimated at over 880,000 bbl. Share of gas reserves at Pouce Coupe and Smiley areas is estimated at 10 billion cu. ft.

Peace River

Peace River Natural Gas Co. Ltd. holds interests in large partly developed and undeveloped acreage blocks in the

(Continued on page 78)

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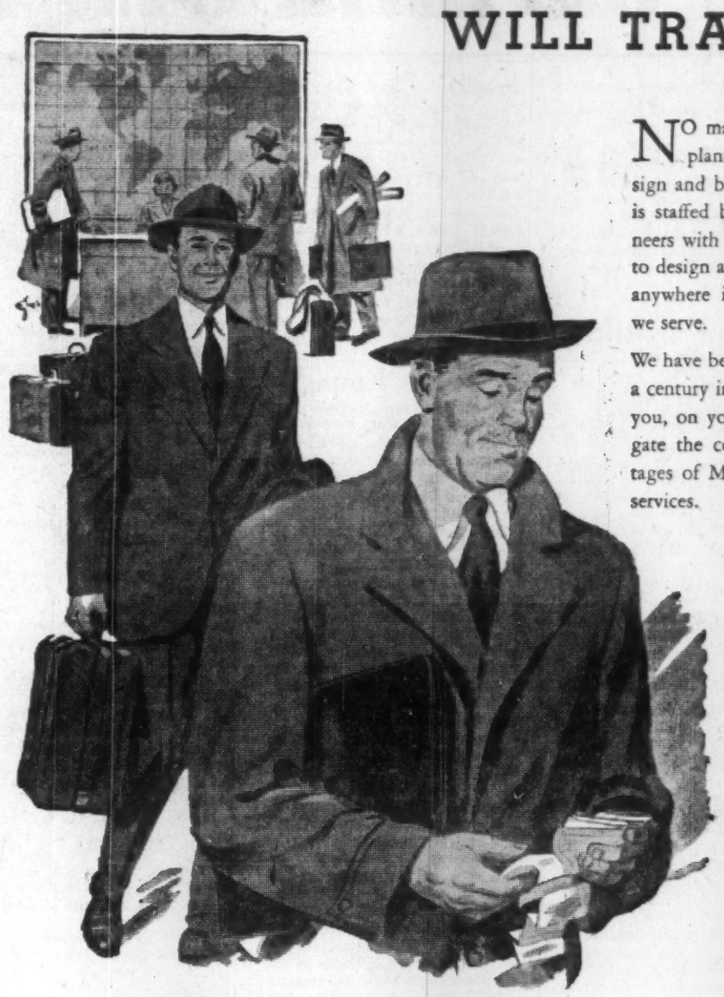

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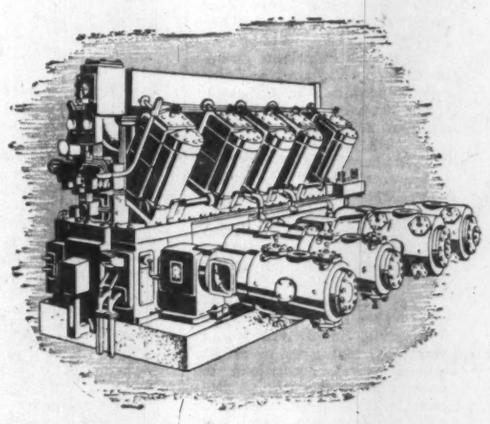

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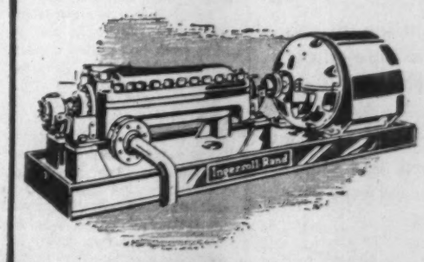

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Oil Companies

(Continued from page 77)

Peace River area of B. C. and Alberta.

The company has been active in participation in exploration ventures near Fort St. John, B.C. in association with **Pacific Petroleums Ltd.**

Peace River holds interests in some 2.3 million gross acres, equal of 100% interest in 593,000 net acres.

Parker Drilling

Parker Drilling Co. is a contract well-drilling firm, operating 11 fully equipped drilling rigs in Western Canada.

Net profit for the year ended April 30, 1955, was $138,036. Balance sheet at that date showed current assets of $935,970 and current liabilities of $343,314.

Parker Drilling has declared a dividend of 25c per share this fall.

The company and Hudson's Bay are reported drilling a well in the Beaverhill area of Alberta on a farmout.

Provo Gas Prod.

Provo Gas Producers was formed last year to obtain natural gas reserves in the Provost field of east-central Alberta.

These consisted of approximately 154,000 acres containing 26 gas wells and comprise 56% of the designated gas area. They were acquired from **Imperial Oil Ltd.** for $2,250,000 cash.

Last summer all the gas reserves of **Dome Exploration (Western)** in the Provost, Tofield and Westlock areas were purchased by Provo. Consideration was 2,465,232 company shares, giving Dome a 37½% share interest in the company. Dome also assumed management of Provo.

Net proven and probable gas reserves are now unofficially estimated at more than 550 billion cu. ft.

Active participation in exploration for further gas reserves is planned. Initial project is a development program just announced on 9,922 acres in the Hughenden area of central east Alberta. Provo will earn a 50% interest in each of the 640-acre blocks into which the lands have been divided, by drilling a well on each block.

Authorized capital is 7.5 million shares, of which 1,034,762 shares remain in the treasury.

Sapphire Pete.

Originally an oil and gas exploration and production concern, **Sapphire Petroleums** has been diversifying its activities. Now, in addition to a stake in more than 100 oil wells and 10 gas wells, company holds 355,089 shares of **Hoyle Mining Co.** and 354,540 shares of **Consolidated Sudbury Basin Mines,** is participating in an industrial park development in Florida, and is searching for potentially productive mining properties.

Company intends to carry out an intensive examination of its prospective oil and gas acreage in Western Canada, with special emphasis on its holdings in southeastern Saskatchewan and in the Fort St. John area of northeastern B. C.

Company also announces it will continue to acquire participations in promising oil and gas discovery areas.

The mining division examined numerous mineral occurrences in Canada, United States and Mexico. Two properties merited the company's serious attention and negotiations are under way.

Scurry-Rain.

Scurry-Rainbow Oils Ltd. realized a cash operating profit of $536,052 before depletion and amortization in the nine months ended June 30, 1956. This represents an annual rate of approximately $700,000 for a net profit of $300,000.

Since then the completion of four more wells in the Pembina field has added an anticipated $200,000 per year to the revenue picture.

Acreage holdings total more than three million acres, more than two thirds of which have been farmed out to major oil companies. They are about to undertake the most intensive drilling program ever planned on company properties. Scurry-Rainbow's net stake in its landholdings is equal to nearly 900,000 acres.

Top holding from a discovery standpoint, according to the company, is its 13 1/3% net carried interest in a spread of reservation lands about 78 miles long and 24 miles wide. These are in the Wapiti-Smoky area of western Alberta, and are underlain by 13,000 to 15,000 ft. of sediments of a type which has given rise to oil accumulations in other parts of the world.

Of four wells drilled so far on the property, two resulted in good commercial gas wells and one obtained a good medium-gravity oil show which has not yet been production tested. Exploration is being continued by two United States companies, which have spent more than $2 million in exploring the tracts.

Oil reserves are estimated at approximately 4.4 million bbls. A possible amalgamation of the company with Banff Oil Ltd. has been rumored.

Capitalization comprises 10 million shares, including 4,740,989 issued.

Trans Emp.

Merger of **Trans Empire Oils** with **West Canadian Petroleums** is under discussion, but progress has been delayed pending an independent appraisal of both companies. Basis of the merger was earlier reported to be four shares of Trans Empire in exchange for five of West Canadian.

If the amalgamation is consummated Trans Empire's assets would be boosted by 21.13 net oil and three gas wells, an interest in 2.1 million acres equal to 350,000 net acres in the four western provinces and Montana, and a half interest in two well-drilling rigs.

Reserves of Trans Empire are estimated at 7.9 million bbl. of oil and 13.7 billion cu. ft. of gas. Acreage position comprised 315,548 acres net to the company in Western Canada and Montana.

Farmout arrangements of the company's interest in 1.6 million acres of permits in northeastern British Columbia are under consideration. Acreage in the Whitecourt region of northwestern Alberta is included in a farmout agreement which calls for geophysical work to be done and a well to be put down.

Further drilling is likely to be carried out next year by the company and its associate in an effort to discover gas on 12,000 acres in the Helmsdale area of southeast Alberta. The gas would be sold to **Trans-Canada Pipe Lines** for export to Eastern Canada. There are a gas well and a dry hole on the property.

Net oil sales for the first nine months of 1956 amounted to 347,891 bbl. compared with 336,570 bbl. in the like period of last year. Income for the 1956 period totaled $875,381, and after deducting expenses plus depreciation and depletion of $229,344, net earnings of $229,456 remained before provision for abandoned wells and leases.

Triad Oil

Triad Oil Co. recently received $30 million new finances through the sale of 4¾% convertible notes due 1971. Proceeds to be used for general corporate purposes.

The **British Petroleum** group of London, England, has the right to acquire a 50% interest in the company. The group has invested $35,379,250 in Triad since 1953 and now holds 5,082,172 shares and $16 million of the notes. It has also agreed to purchase a further 1.8 million shares at $3.035 each by the end of 1958, and is entitled to an additional 1,440,000 shares upon conversion of the notes.

Triad has varying interests in 71 oil wells and 16 gas wells in Alberta, Saskatchewan and Manitoba, and a stake in 6.3 million acres equivalent to ownership of 4.5 million net acres in those provinces, British Columbia and Northwest Territories.

Company is currently following up oil discoveries which it made at Iroquois and Crimson Lake, Alta. Preliminary exploration is under way on large tracts owned by the company in northeastern British Columbia.

Reserves of oil in the Redwater, Elkton-Harmattan and Sturgeon Lake fields are estimated at 18.2 million bbls. net to Triad, while gas reserves at Elkton-Harmattan are 40.5 billion cu. ft.

United Oils

Chief asset of **United Oils** is its working control of **Home Oil Co. Ltd.** through the holding of 35.6% of the voting stock of that company. In addition, United shares in 65 oil and five gas wells in Alberta.

A development program was completed in August of this year on 5,120 acres of proven lands, comprising 64 well sites in the Pembina field. United has interests ranging from 30% to 100% in the producers. A plan for assisted primary and secondary recovery of oil, approved by operators in the field, offers a possibility for higher recoveries of oil from company lands. Funds for acquiring and developing the acreage were provided by bank loans.

In the Nevis-Buffalo Lake region company has 12½ to 25% interest in over 15,000 acres and five capped gas wells. Wet gas was recovered at rates ranging up to 30 million cu. ft. daily, plus distillate. Contracts for the sale of 90 million cu. ft. per day have been signed with the **Trans-Canada Pipe Lines.**

Gross revenue aggregated $140,191 during 1955 compared with $4,267 the year previous. Loans from the bank totaled $7,943,810 at Dec. 31, 1955. Capital comprises 10 million shares, of which 6,499,256 are issued.

Vulcan Oils

Formerly chiefly a holding company, **Vulcan Oils** in recent years has participated more actively in exploration and development. Now has interests in 43 oil and seven gas wells in various areas of Alberta, and in nearly 80,000 acres of leases and reservations.

A 1½% participation is held by Vulcan in an exploration program being carried out by **Home Oil Co.** A total of 33 oil and three gas wells have been completed in the Erskine, Pembina, Westward Ho and Harmattan areas, and 20 additional wells were planned for this year.

In the Bindloss gas area, which is scheduled to be the first to feed the Trans-Canada pipeline, Vulcan has 5% in 66,000 acres on which are situated five gas wells. Reserves of gas here are indicated at 7.8 billion cu. ft.

Income totaled $34,141 during 1955, from which a net profit of $9,82? was realized. Authorized capital is four million shares, of which 2,770,102 shares remain in the treasury.

Wainwright Prod.

Wainwright Producers & Refiners Ltd. owns and operates a crude oil refinery with 3,000 bbl. daily capacity at Wainwright, Alta. Expansion is planned for retail outlets and storage at Wainwright.

Company also owns one oil well and holds interests in over 40 wells and a number of capped gas wells.

Wainwright Producers is controlled by **American Northland Oil Co.**

Balance sheet at June 30, 1956, showed current assets of $565,562 and current liabilities of $298,738.

Western Decalta

Early this year **Western Decalta Petroleums** acquired all the assets of **Albermont Petroleums** and control of that company's subsidiaries, **Carleton Oils Ltd., Renfrew Petroleums** and **Mazel Petroleums.**

Decalta is currently offering to pick up the remainder of the Carleton stock on the basis of one Decalta share for each three of Carleton.

Following completion of the latest development program last September the company's group anticipated a gross consolidated revenue at an annual rate of $2,253,000. Royalty, lifting costs and administration expenses are expected to total $649,000.

Daily production after the program is complete is expected to be around 2,700 bbl. from the group's net wells in Alberta, Saskatchewan, Montana, Oklahoma, Texas and Louisiana. Landholdings total some 765,000 gross acres in those areas and British Columbia, for a net holding by the group of 318,000 acres.

Oil reserves are rated at 10.5 million bbl. and reserves of gas at 23 billion cu. ft., exclusive of the Fort St. John, B.C. gas area. A further 800,000 bbl. of oil could be added to the above figure during the coming year from drilling planned.

Late this year Decalta assumed the management of **Petrol Oil & Gas Co.**

Company will receive an annual management fee plus other considerations and will be responsible for the investment of Petrol's cash reserves in the acquisition of proven production and a fairly extensive exploration program.

West. Lease.

Western Leaseholds has varying participating or royalty interests in 191 oil wells, of which 70 are located in Alberta's Redwater field. Also has a stake in 17 gas wells, 14 of which are shut in awaiting the opening up of a market.

Control of the company is held by **Canadian Petrofina Ltd.** through ownership of 6,747,167 of the 7 million shares authorized and issued. These were acquired by Petrofina last year through an exchange of stock on the basis of three participating 6% noncumulative preference shares of Petrofina for each 10 common shares of Leaseholds.

Development this year has resulted in six oil producers being brought in on company lands at Bentley and Fenn, Alta., while an exploratory test near Calgary recently struck natural gas.

Oil reserves in the Redwater field are estimated at 34.5 million bbl. net. Crude oil sales totaled $4,640,985 during the year ended Sept. 30, 1955, and net profit amounted to $2,161,958.

Westburne Oil

Gross revenue of **Westburne Oil Co.** for the six months ended June 30 this year was $48,139 and net profit was $30,924.

A wholly owned subsidiary, **Westburne Oil Development Ltd.**, started its activities early this year and acquired interests in acreages in the Alida-Hastings, Joffre and Pembina areas of Alberta.

Seven wells were completed on the properties by the end of July. In October, the company and two others acquired six parcels in the Steelman field in Saskatchewan.

Yankee Canuck

Yankee Canuck Oil & Mining Corp. has interests in a number of producing oil wells and acreage in Alberta.

Company recently reported an interest in acreage and in an oil well in the Joffre field of Alberta completed by the company and associates. A second was drilling recently.

Net production of crude oil for the year ended Dec. 31, 1955, was valued at $19,642.

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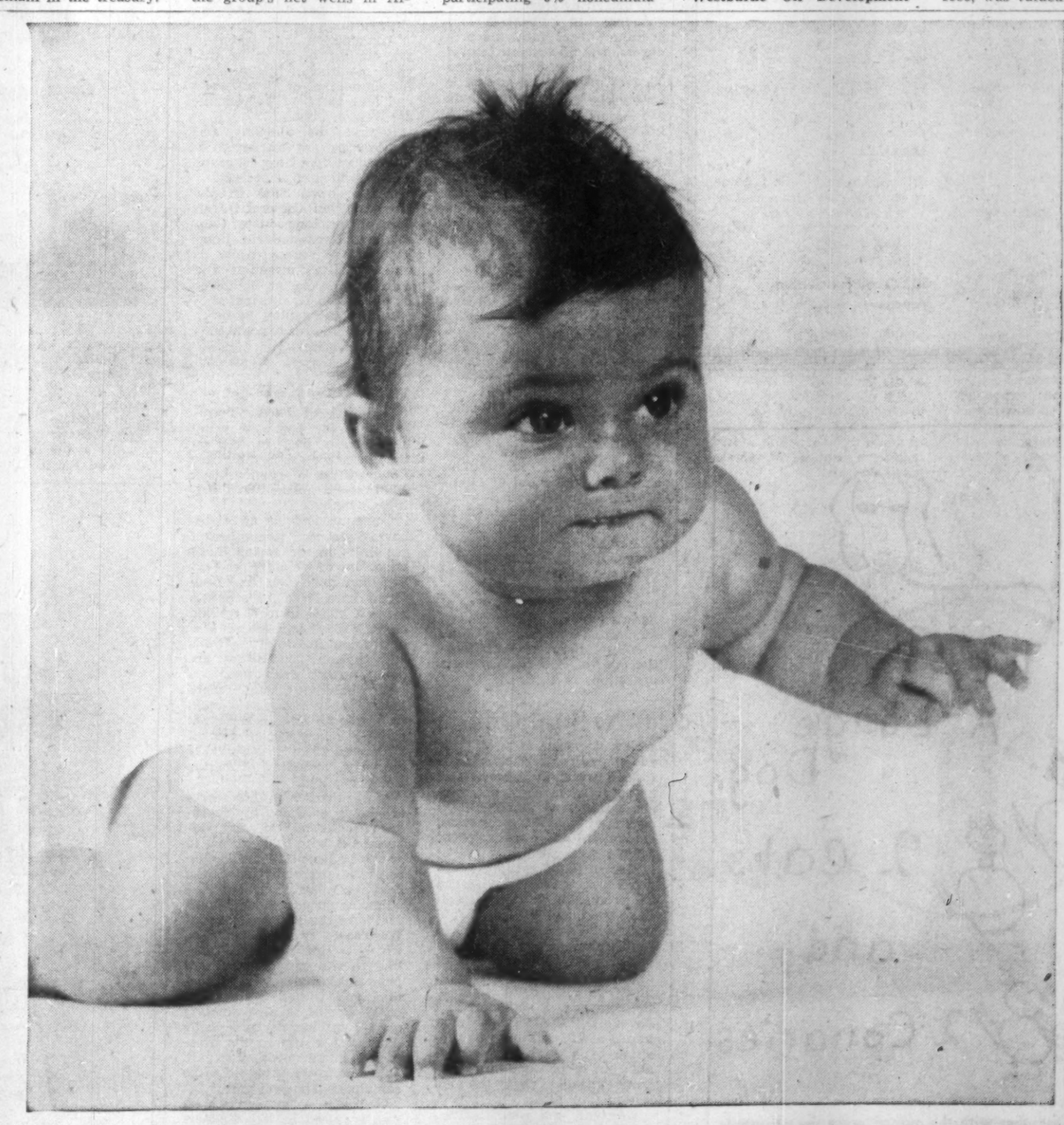

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Based on the average person's use of oil now, it will take about 57,805 gallons to satisfy Mary Ellen's needs in her lifetime.

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Oil from the wells of Shell is just beginning to serve Mary Ellen. All her life we'll help keep her warm, clothed, fed, amused, healthy and on the go.

Even now Shell exploration teams are bringing in the new wells that will supply the oil she will need. Shell engineers and chemists are searching for new ways to squeeze more service out of every gallon of crude. Shell marketing men plan ways to bring the oil and oil products to her at her convenience, and at the bargain price you have come to take for granted.

Now if you'll excuse us, we have work to do. Mary Ellen is waiting for her oil.

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Our Petrochemicals Heading For Another Wave of Growth

Since the end of World War II the growth record of Canada's young petrochemical industry has topped that of any other industry in the country.

Tall silver columns, great metal spheres, miles of twisting pipe have become the futuristic design for this new endeavor.

These complex plants are shooting up at Canada's three major refining centres — Montreal, Sarnia and Edmonton. Before long they will be going up in Alberta close to major natural gas fields.

No one in the industry will even hazard a guess at the potential number and breadth of products that will in time grow out of these weird-looking plants.

Almost every week the research chemist boosts the potential further by either whomping up another consumer or industrial product out of hydrocarbon raw materials or recovering an entirely new "intermediate" chemical building block with exciting new product possibilities.

Well over 25% of all chemicals today come from a petroleum base. Research men claim this will likely double. Some scientists peering further into their crystal ball forecast that in time the dollar volume of this growing flood of products processed out of petroleum hydrocarbons will surpass revenue from refinery operations.

At the moment only about 2% of petroleum is finding its way into petrochemical products. But there their value is being upgraded anywhere from ten to 20 times in the more than 500 finished products being marketed today. It's showing up in synthetic rubber, textile fibres, plastics, paints, fertilizers, pharmaceuticals, anti-freeze, basic chemicals like ammonia, etc.

Natural Gas

These petroleum hydrocarbons on which this industry feeds comes from refinery gas streams and gas processing plants operating on natural gas.

Up to now most Canadian petrochemical plants have been based on refinery gas streams and have therefore located in large refining areas close to plentiful supplies of the all-important "feedstock."

But a second expansion wave — based on low-priced hydrocarbons from wet gas fields — is coming; is now awaiting completion of two major gas pipelines and further expansion in markets.

But the trend is rapidly changing both here and in U. S. as demand and price for these hydrocarbon raw materials shoots up. More and more, the refiners will find it profitable to install special equipment to boost to the maximum — consistent with production of their own refined products — quantity of these hydrocarbons required by petrochemical plants.

Right now **Canadian Oil Cos.** is installing a special $3-million "Udex" unit to recover large quantities of desirable hydrocarbon raw materials from its Sarnia refinery operations. Long-term sales contracts have been made for disposal of these products to nearby petrochemical plants.

The major example of this is the recently announced decision of **Imperial Oil Co.** to construct a $25 million petrochemical plant near its big Sarnia refinery to recover required hydrocarbon raw materials from its own expanding refining operations and sell them to industry as ethylene, butylenes, butadiene, propylenes.

Basic to such a decision was the firm confidence of continuing growth of Canadian industry and potential market for these hydrocarbon materials and expectation of continuing expansion in its large Sarnia refinery through-put (now up to a new peak of 90,000 b/d).

This trend will give the refiners an even greater stake in the petrochemical industry; boost the revenue potential greatly from this source. Actually, as more and more oil refiners jump into the petrochemical picture with installation of special units integrated both with refining and petrochemicals (like that of Imperial Oil's) it will become difficult to draw the line between the two industries.

Picture So Far

So far, however, most of the oil companies moving into the petrochemical picture have been content to turn out only "intermediate" products — products like ethylene, butylene, isopropyl alcohol, phenol, acetone that go into manufacture of other end products in scores of other plants scattered across the country.

The big significance of these petrochemical construction projects for Canada is this: Availability of substantial, long-term supplies of increasingly hard-to-get light hydrocarbons is going to attract new processing industries to the particular refining areas.

For instance **Du Pont Co. of Canada** is currently seriously considering construction of a multi-million dollar petrochemical plant at Sarnia.

One of the big considerations is ready availability of hydrocarbons from Imperial Oil's proposed new petrochemical plant there. It is believed that Du Pont is primarily interested in ethylene, that its proposed Sarnia plant would advance along the wide ethylene product highway with polyethylene —the hot plastic — a likely major product.

> **Gain on U. S.**
>
> The growth of Canada's petrochemical industry will probably outrun that of the U. S. in the next four years, Clay Beamer, manager of **Imperial Oil Ltd.'s** chemical products division, says.
>
> Extent of growth expected in this country can be seen from the fact that U. S. chemical output is expected to double from 1955 to 1960. Value of Canada's petrochemical output by 1960 will be around $260 million a year or more, Mr. Beamer estimates.
>
> Last year value in Canada of petrochemical output was around $127 million representing an output of 710 million lb. or about 45 lb. per capita.
>
> In U. S. the corresponding figure for 1955 was 190 lb. per capita. There isn't very much difference, however, in per capita consumption since U. S. imports are a big factor in this country.
>
> At end of World War II the Canadian petrochemical industry consisted of one plant representing a capital outlay of around $40 million. The industry now consists of some two dozen plants totaling a capital outlay of over $300 million.

Expansion projects under way or proposed by **Polymer Corp.**—the Crown-owned synthetic rubber producer at Sarnia — and **Dow Chemical of Canada**, also in Sarnia, has only been made possible by construction of new — or expanded refinery capacity — in the Sarnia area, which in turn made available stepped-up supplies of the all-important light hydrocarbon raw materials.

Limiting Factors

The two major limiting factors in petrochemical expansion in this country are, of course, availability of petroleum hydrocarbons from refineries and gas fields and markets for end products.

With oil reserves now over the three billion barrels level and a 100% boost in refining facilities in last five years, refinery stream hydrocarbons have thus far been keeping pace with petrochemical plant requirements.

As for the other major source of raw materials — natural gas — the ultimate supply picture is even brighter.

When the pipelines are completed by 1958 and gas starts flowing to big waiting markets the liquid hydrocarbons that must be stripped out of the gas before it is fed into the pipeline — propanes, butanes natural gasoline, etc. — will become available in steadily increasing volume.

British American Oil Co. estimates that when its big Pincher Creek gas field in southern Alberta is delivering its full quota of gas to the trans-Canada gas pipeline it will be recovering some 8,000 b/d of condensate (butanes, propanes, etc.) as well as some 800 tons daily of sulphur.

The $18 million gas processing plant being built by **Pacific Petroleums Ltd.** and associates near Fort St. John, B.C., to process Peace River gas preparatory to delivering it into the **Westcoast Transmission Co.** pipeline is expected to recover some 300 b/d of propane and 600 b/d of butane as well as some 275 tons of sulphur.

Byproducts Sales

There are and will be special situations where byproducts from refinery and petrochemical operations will be available and where it will be profitable to sell such byproducts (as ethane, propane and butane) at prices low enough to compensate for any finished product freight penalty.

These were big reasons in decision of **Canadian Industries Ltd.** and **Canadian Chemical Co.** to construct their large petrochemical plants in Edmonton.

But further large petrochemical developments in Alberta are as certain as the development that has taken place in Texas. The waiting period — until markets within economic reach catch up, and/or tariff regulations are adjusted — may not be as long as many people think.

In the meantime the Westcoast Transmission gas pipeline is under construction with completion date set for next fall. The gas processing plant at Taylor Flats, near Fort St. John, B.C. is also well under way and will be completed and ready to process Peace River gas by next summer.

Already several chemical companies are known to have looked closely at the economics of establishing petrochemical plants in B. C. and particularly in the Fort St. John area.

Some 200 miles of the western phase of the trans-Canada gas pipeline is now completed with total completion target to Toronto and Montreal set for late 1958. It will be when this big eastern market is built up — and/or U. S. markets are available — maybe by 1959-1960, that the gas pipeline will have to draw heavily on the "wet" gasfields which will provide the bulk of the light hydrocarbons.

The eventual disposition of all the byproduct hydrocarbons will present a big problem in early years.

One company — **Canadian Hydrocarbons Ltd.**, Winnipeg — is proposing construction of a special products pipeline from Alberta across the prairies to Head of the Lakes. Plans are to transport substantial quantities of propane and butane through the line for sale to municipal fuel firms and chemical and mining firms along the route of the pipeline.

Alberta Government officials, however, are taking a rather dim view of large-scale export of this potential energy and raw material from the province, preferring to keep it as an incentive for establishment of industry within the province. It is probable that some compromise arrangement will be made based on available market outlook at the time, and market growth prospects.

The case of Polymer Corp. illustrates the problems associated with decisions on location of petrochemical plants. Expanding export and domestic markets has forced a major decision on Polymer management concerning future butadiene supplies.

For some months now Polymer has been forced to import some 25% of its butadiene requirements from U. S. suppliers.

In view of plans for further over-all expansion in its rubber output, Polymer is now seriously considering plans to construct a butadiene plant based on butanes. The two obvious sites are Alberta — possibly near the big new gas absorption plant B. A. Oil is constructing to serve the Stettler-Fenn-Big Valley oilfield, or B. A.'s Pincher Creek field — or in Sarnia near butanes or butylenes available from nearby refineries.

Union Carbide Canada's new multi-million dollar Montreal East petrochemical plant will be brought into operation over the first half of next year. The chemicals plant will be brought into operation progressively starting early in the new year and the polyethylene unit is expected in production by spring.

The chemical plant will be flexible enough to make a whole range of synthetic organic chemicals (based on ethylene oxide).

The raw material will be ethylene extracted from byproduct gases of the neighboring refineries of Imperial Oil and **McColl-Frontenac Oil Co.** plus cracked liquid petroleum fractions. So buoyant has been the market for Union Carbide's proposed products that planning engineers have revised upward on some five occasions their original plans for production capacity.

Both of the other Montreal East petrochemical units — **B. A.-Shawinigan Ltd.** and **Shell Oil Co.** — are further expanding and diversifying production.

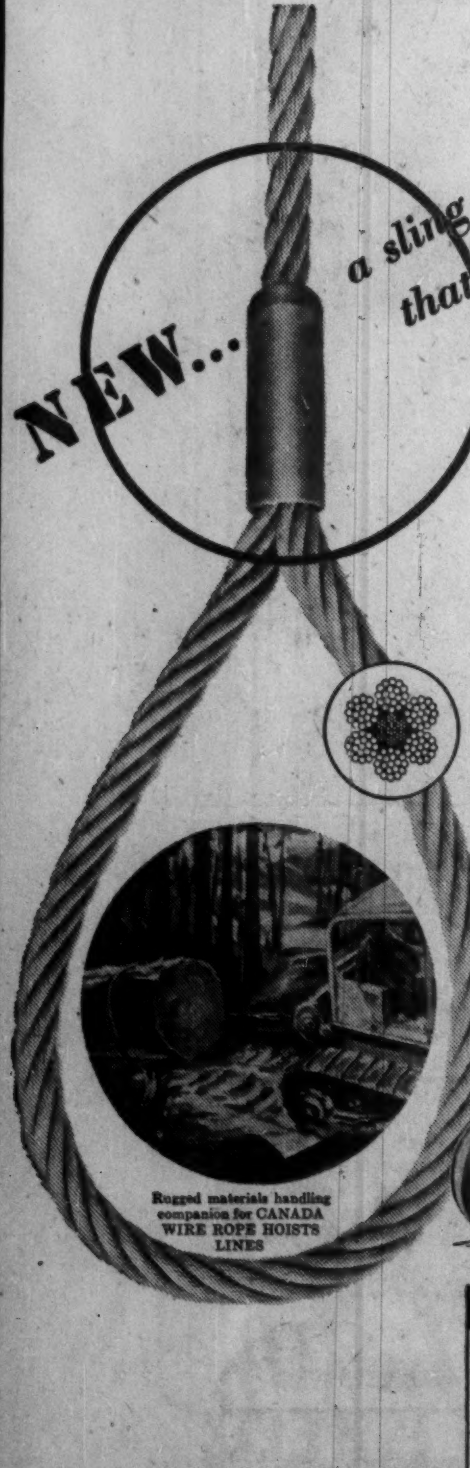
Shell Oil will construct a new unit to process alkylates for the detergent market; is also installing equipment to manufacture ethyl ketone and secondary butyl alcohol. Company's chief products are isopropyl alcohol and acetone.

This spring B. A.-Shawinigan announced plans to boost phenol and acetone output by 50%. On top of earlier production boost this will just about double plant capacity from originally announced figures of 13 million lb. of phenol and eight million lb. of acetone annually.

Dow Chemical of Canada is still pushing capacity and widening product diversity at its spreading Sarnia works. Dow is expanding ethylene capacity to take care of planned expansion in ethylene glycol and other ethylene products. At the same time officials are seriously considering entering the hot polyethylene race. Plans are also being considered for construction of a new unit to process Styrofoam.

The big **Canadian Chemical Co.** petrochemical operation at Edmonton is operating at a high rate of capacity with a major share of output going to export markets. This year for the first time this huge textile-chemical integrated operation moved into the profitable bracket.

MUCH OF THE PIPE for Trans-Canada's cross-country gas line will come from the new mill of Welland Tubes Ltd., Canada's first "big inch" pipe plant. Welland Tubes has a multi-million-dollar order for 30-in. pipe, to be used on the Winnipeg-Toronto leg of the line.



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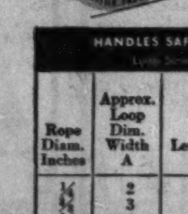

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3/8	3	6	12,800	2,560	2'0"
1/2	4	8	23,600	4,720	2'6"
5/8	5	10	35,400	7,080	3'0"
3/4	6	12	51,000	10,200	3'6"
7/8	7	14	68,800	13,760	4'0"
1	8	16	89,600	17,920	4'6"
1 1/8	9	17	105,200	21,040	5'0"
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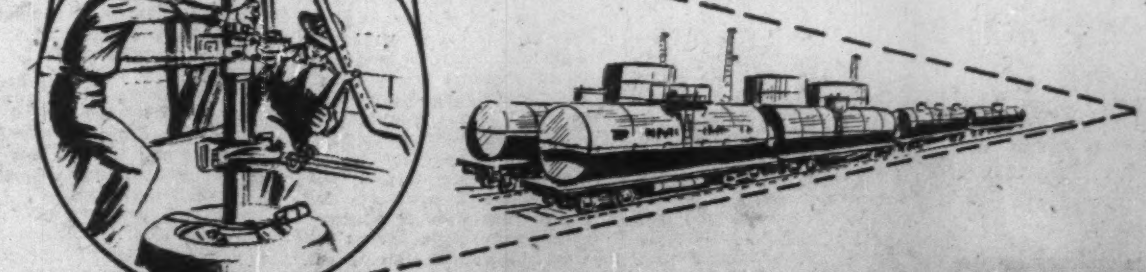

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Oilmen Train Microbes To Eat Refinery Waste

One of the most unusual programs being carried out successfully in conjunction with Canada's oil developments is the job of training billions of phenol-eating bugs to help purify refinery waste.

Chemists and engineers are mobilizing the tiny microbes to perform a community service in their search for a better and more efficient method of phenol disposal.

This problem has created an especially intricate task when the discharge of waste is necessarily into a stream which serves as a water supply.

These bugs are so tiny that billions could live on a dime without overcrowding. They accomplish their task by eating the carbolic acid in a disposal plant before the waste is permitted to leave the refinery.

While the "bug method" was first used in Canada by the **Imperial Oil Co.** at the Sarnia laboratory, other oil companies are adopting the process.

In Canada there are three processes in use at the Edmonton plants of **British American Oil Co.**, Imperial Oil Co. and **McColl Frontenac Oil Co.**, and at the Sarnia plants of **Canadian Oil Cos., Sun Oil Co.** and Imperial Oil.

These processes include:

- Trickling filter process: Usually a bed of broken stone three to eight feet deep through which the waste water trickles.
- Activated sludge process: Usually an aeration tank into which air is blown followed by a sedimentation tank from which the sludge is returned to the waste water entering to aeration tanks.
- Oxidation Ponds: The oxidation pond is a low rate system which accomplishes treatment in the same manner as rivers and lakes.

Benefits from biological treatment of refinery waste waters are reduction in oxygen demand, reduction in oil content and in improvement of taste and odor.

British American Oil reports that what appears to be biological oxidation works in the company's favor in the effluent pond at Edmonton where there is a loss of from 50 to 60% of the phenol in summer and 30% in winter. This is a shallow pond through which the effluent stream meanders and trickles over sand, etc.

Dark Slime

Backterial growth is indicated by the development of a dark brown or black slime in the water and on the decks of the phenol aeration tower, with some foam appearing on the water.

Wastes in the refinery arise chiefly from four sources:

- Oil in liquid or gaseous form.
- Material produced during refining (as phenol and other acid oils).
- Spent reagents (as caustic and acid).

Each individual problem requires different approach for solution.

Various equipment has been installed at Canadian refineries to cope with these situations, but Imperial Oil has resorted to the use of a U. S. developed method and has mobilized microbes to assist them in their research work.

Opinions as to the value of the "bug method" are varied and some chemists go so far as to say that the method is not particularly new layman type of thing. They admit, however, that the method is meeting with some degree of success.

It is argued that the microbe method of disposing of phenol from waste water necessitates continuous breeding of new strains of microbes as they tend to overeat phenol and become useless.

Imperial Oil chemists, however, disagree. They say that while it is true that these bugs overeat phenol and become useless, new strains are developed continuously.

Experiments at Imperial show that after being fed small doses of phenol with other chemicals as food and injecting air into the water, the bugs do well and most of them reproduce every five minutes by splitting in half.

In earlier times the refinery got rid of the last bit of phenol from its waste water by burning it. But it was not a foolproof system; some of the phenol sometimes got down the drain and into nearby streams and became objectionable to residents along the shores. Moreover, the burning process was expensive.

Tastes and Colors

Phenolic compounds are objectionable, though nontoxic in the concentrations which could reach the river, because they have the characteristic of combining with the chlorine used in drinking water to produce compounds with disagreeable taste and color.

Hence, to eliminate any possibility of complaint from communities downstream, Canadian chemists and engineers are using various methods to eliminate phenolic compounds from waste water before it leaves the refineries.

These compounds have three sources in the refinery:

- Original low concentrations in crude oil.
- As a by-product in cracking gas oils for high octane gasoline.
- From the refining of lubricating oils.

Thus the problem is itself involved.

To further cope with the situation Imperial built a special plant for high rate biological oxidation of phenols—a process new to the oil refining industry.

Initial step in this process is the use of a trickling filter in which cultures of bacteria, previously gradually exposed to increasing dose of phenol, have been growing.

A portion of the polluted water is pumped onto this trickling filter and the bacteria is fed special nutriments. The temperature and pH of the water is controlled so that the bacteria is kept in a healthy condition.

This portion of the water is then passed out through the trickling filter, carrying the healthy bacteria along with it, to join the remainder of the phenolic water.

The combined water streams then pass through an aero-accelerator, where they are exposed to air and agitation. These conditions are designed so that the bacteria consumes the phenols, converting them to carbon dioxide and water.

The story of how Imperial Oil chemists and engineers started mobilizing these bugs to perform this community service reads almost like fiction.

The carbolic acid, technically known as phenol, is found in crude oil and becomes a by-product of refining. Also, it is used to help purify lubricating oils. Some of it inevitably gets mixed in with the processing water that ends up as waste.

Used Over Again

Imperial chemists at Sarnia say that nearly all the phenol that gets into the waste water is extracted and used over again, but a small amount—less than two bbls. a day—remains in the water because the cost of extracting it would be out of all reason.

While authorities agree a small amount of phenol is harmless to humans, even in drinking water, Imperial wants to eliminate every last trace of it before sending the waste water into the St. Clair River at Sarnia. This aim is in the keeping with the company's current $4 million program to eliminate waste problems in its nine refineries.

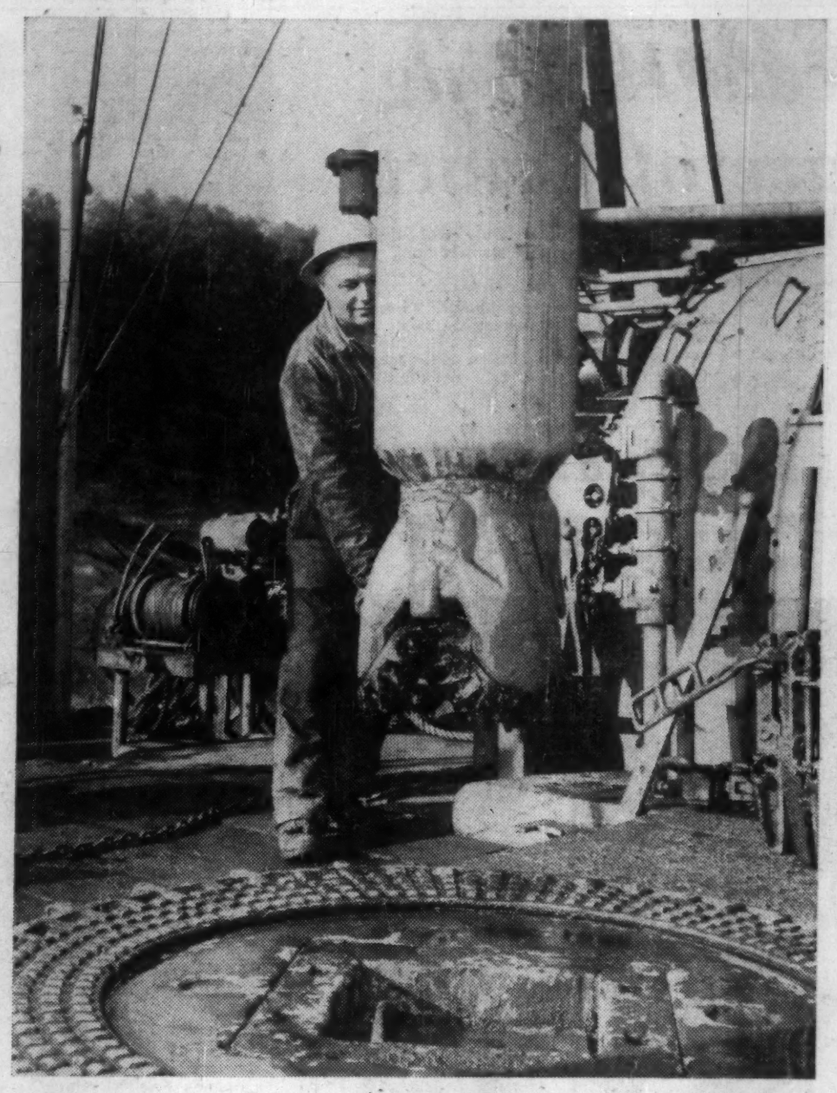
In their search for a better method of phenol disposal, Imperial chemists and engineers at Sarnia were attracted to the **Dow Chemical Co.** plant at Midland, Michigan. There, on a 500-acre site, thousands of pounds of waste phenol were being destroyed daily by billions of tiny round and cigar-shaped bugs.

Due to the lack of acreage for this experiment, Alex McRae, Imperial's pollution control engineer, decided to try "training" some bugs to eat phenol inside a tank, away from their natural habitat.

Two chemists in the refinery inspection lab got a jarful of bugs and took them to Sarnia General Hospital for a "medical."

Exhaustive tests showed them to be harmless.

The first problem presented itself when it was discovered that the phenol-water mixture used also contained a small amount of oil that killed the bugs. The chemists started their work over.



HERE'S WHAT A DRILL looks like. A new bit has just been attached to this Shell Oil rig near Jumping Pound, Alta., and the "string" is just about to be lowered into the hole. This type of oversize drill collar is used on difficult subsurface formations of rock.

Oil, Gas Industries Spend 65% Outlay in Canada

Canada's oil and gas industry is one of the largest individual spending units in the nation.

The mushrooming growth of the industry since discovery of Leduc in 1947 has resulted in annual expenditures for manpower and materials at the rate of $1.5 to $2 billions a year.

And giving a major boost to host of established and new allied industries is the fact that about 65% of all this cash is spent in Canada. This proportion of Canadian expenditures is rising steadily as the industry grows.

The oil industry uses highly specialized equipment. In the past, pretty well all of this equipment was imported — mostly from the United States. But with the growth of the industry here, foreign suppliers started building Canadian plants. The result: more money into the Canadian spending stream.

Illustrating the contribution of the oil industry in cold, hard cash to the Canadian economy are these estimates of spending by industry economists.

—All operating expenses like salaries, advertising stay in Canada.

—About 83% of freight charges are spent here.

—About 76% of capital expenditures for exploration, drilling and production.

—65% of crude oil used is purchased in Canada.

—75% of capital expenditures involved in manufacturing and including terminals.

—50% of money spent on pipelines.

—98% of money spent on retail outlets.

—75% of money spent on natural gas.

—90% of money spent on transportation equipment.

New Plants

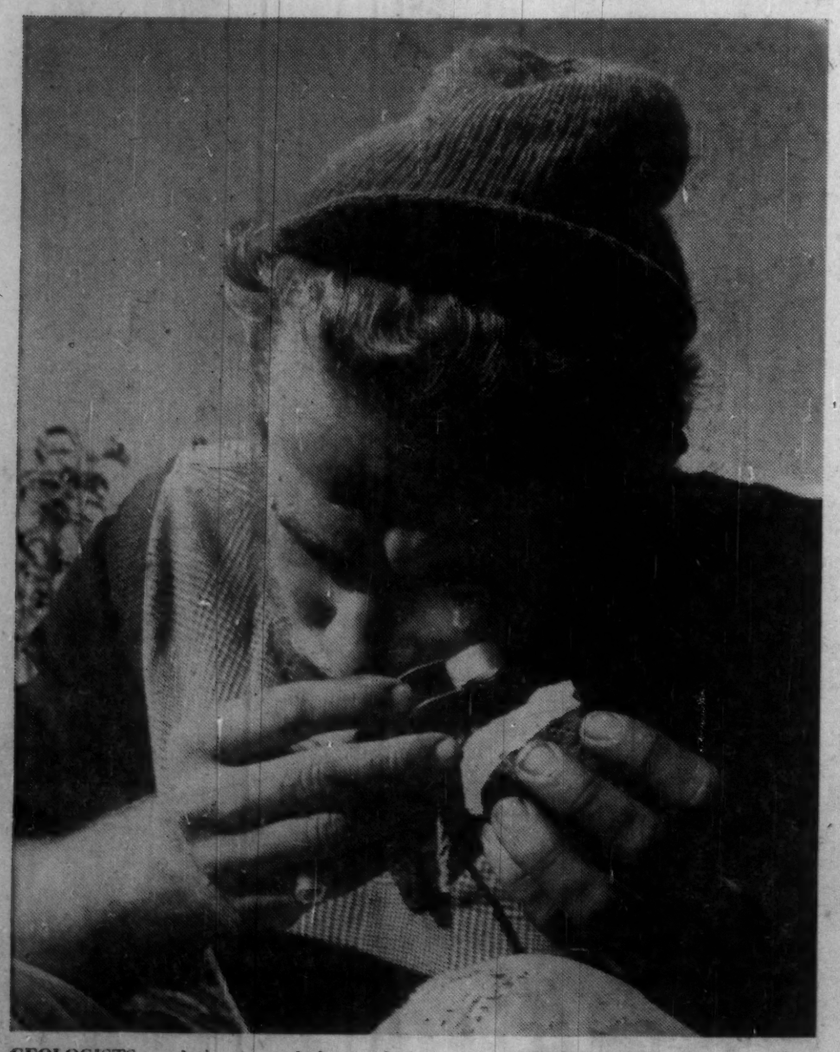
Each year finds a greater proportion being spent in Canada. For example, until this fall, Canada imported all its tetraethyl lead. But **Ethyl of Canada** put up a plant and now this lead is home-made. Similarly, **Davidson Chemical** is building a plant to make vital catalysts used in oil refining.

The major pipeline projects planned and under construction are resulting in new plants to make pipe like the **Mannesmann Tube** project at Sault Ste. Marie, Ont. There have been many other firms established in Canada to supply the oil industry for such products as pumps, instruments, pipeline enamels and a host of other products.

Still being imported are a variety of special tools and equipment that undoubtedly will some day be made in Canada. Most of these are U. S. purchases because the U. S. oil industry is leading world supplier of specialized oil equipment.

These imports include eight-inch and larger seamless steel pipe, some valves, drill pipe, refinery pumps, compressors, some hose, laboratory equipment and instruments.

Illustrating how the pattern changes is crude oil purchases. At one time Canada imported almost all its crude oil from places like Venezuela and the U. S. Last year, such imports were estimated to account for 45% of our needs. But this year, it is estimated that only 35% of our oil requirements are met from foreign sources. It is likely that Canada always will be importing some oil for some time because markets like the east coast are served more easily by boat or eastern seaboard pipelines from the U. S. than by oil from Western Canada.



GEOLOGISTS read the face of the earth for traces of "black gold." This one uses a magnifying glass to study rock samples chipped from a mountainside in northwestern Canada.

Royal Bank Manager Keeps Abreast Of Developments In Pembina Oil Field

The helmeted gentleman on the left, picking up pointers about drilling rigs, is one of our Western branch managers.

As a banker in a major oil area, he makes it part of his job to know all he can about the oil industry — its people, its problems, its prospects; and to get away from his desk occasionally for a look at what's going on out in the field.

We mention this manager's approach to his banking job not because it is different from that of other Royal Bank men but because it is so typical. Because they keep well informed about the areas and industries they serve, you will find them especially qualified to make an effective, practical contribution to the banking operations of your business.

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ROYALITE

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